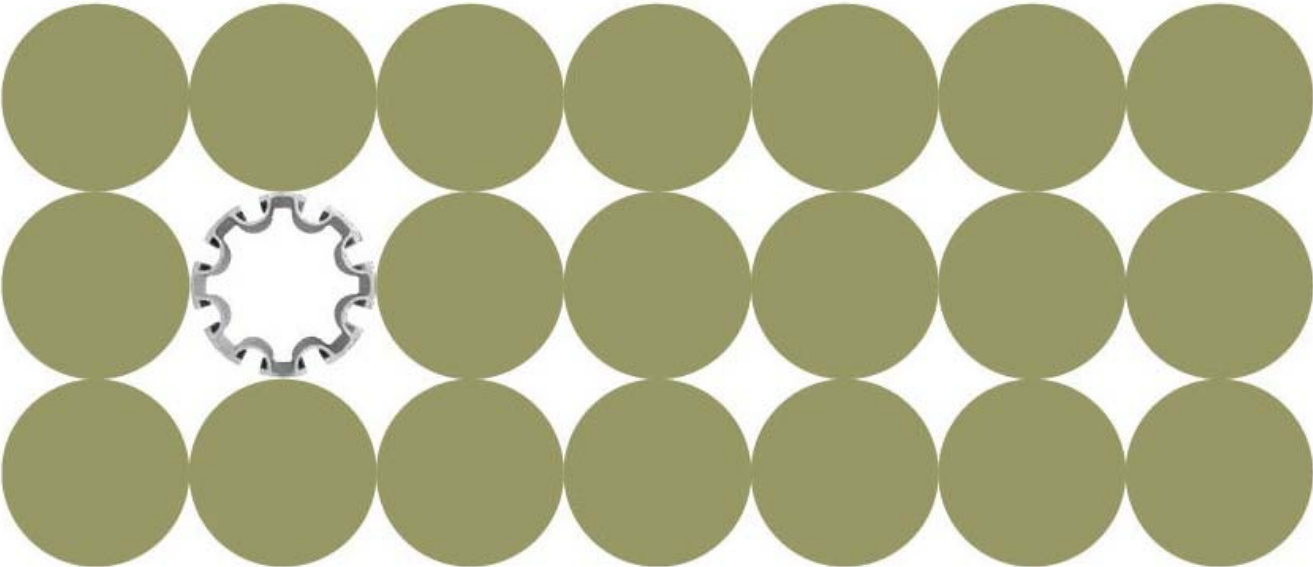


# Qatalum site visit



January 25-26, 2010

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(1)

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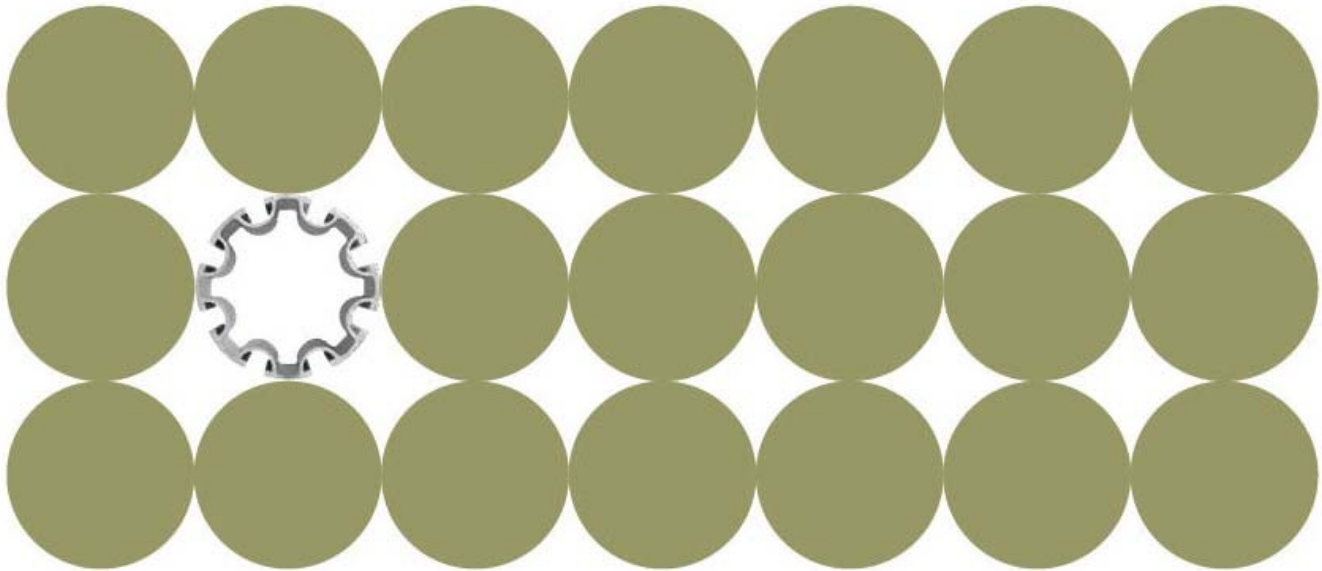
## Forward-looking statements

Certain statements included within this announcement contain forward-looking information, including, without limitation, those relating to (a) forecasts, projections and estimates, (b) statements of management's plans, objectives and strategies for Hydro, such as planned expansions, investments or other projects, (c) targeted production volumes and costs, capacities or rates, start-up costs, cost reductions and profit objectives, (d) various expectations about future developments in Hydro's markets, particularly prices, supply and demand and competition, (e) results of operations, (f) margins, (g) growth rates, (h) risk management, as well as (i) statements preceded by "expected", "scheduled", "targeted", "planned", "proposed", "intended" or similar statements.

Although we believe that the expectations reflected in such forward-looking statements are reasonable, these forward-looking statements are based on a number of assumptions and forecasts that, by their nature, involve risk and uncertainty. Various factors could cause our actual results to differ materially from those projected in a forward-looking statement or affect the extent to which a particular projection is realized. Factors that could cause these differences include, but are not limited to: our continued ability to reposition and restructure our upstream and downstream aluminium business; changes in availability and cost of energy and raw materials; global supply and demand for aluminium and aluminium products; world economic growth, including rates of inflation and industrial production; changes in the relative value of currencies and the value of commodity contracts; trends in Hydro's key markets and competition; and legislative, regulatory and political factors.

No assurance can be given that such expectations will prove to have been correct. Hydro disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

# Hydro



Jørgen C. Arentz Rostrup, Executive Vice President and CFO

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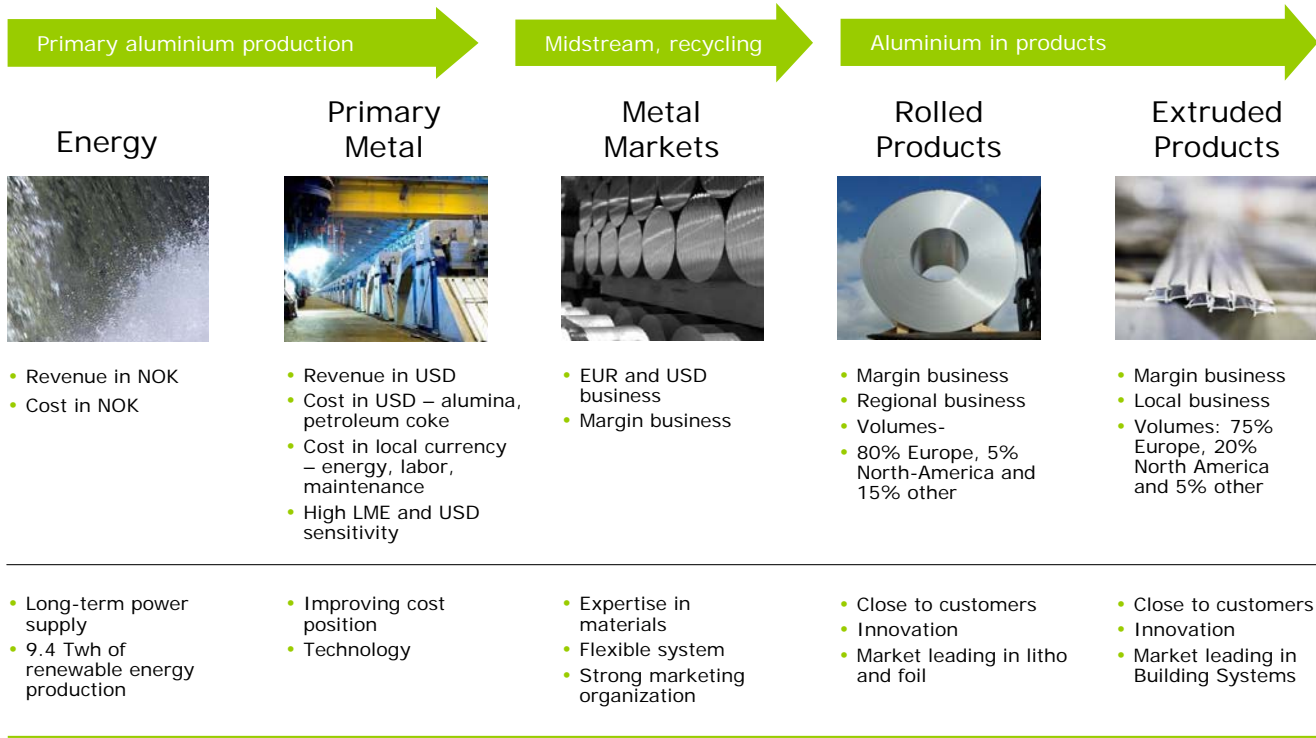
# Hydro's value proposition

- Leading integrated aluminium and energy company with global reach and attractive positions across the value chain
- Upstream cost position to be improved by the world-class Qatalum smelter
- Strong operational performance and cost focus
- Financial discipline
- Long-term prospects for aluminium remain encouraging





# Business model



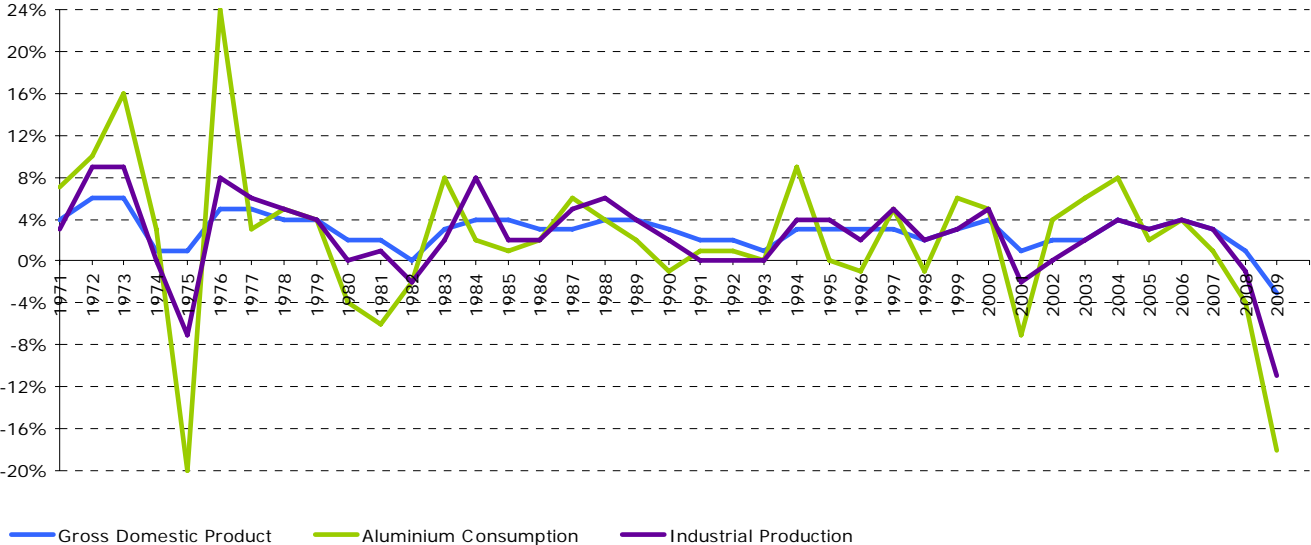
1

Market

# Historic downturn in 2009

World outside China

% change YoY World ex China



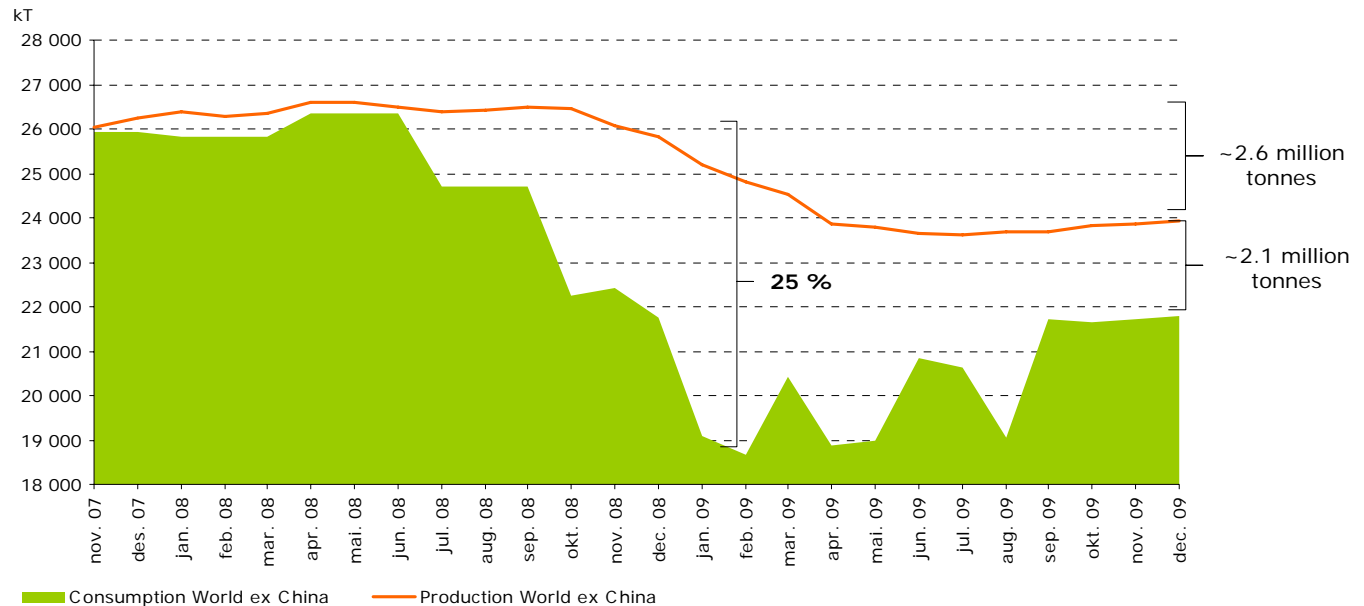
Source: Global Insight / CRU / Hydro



# Imbalance reduced

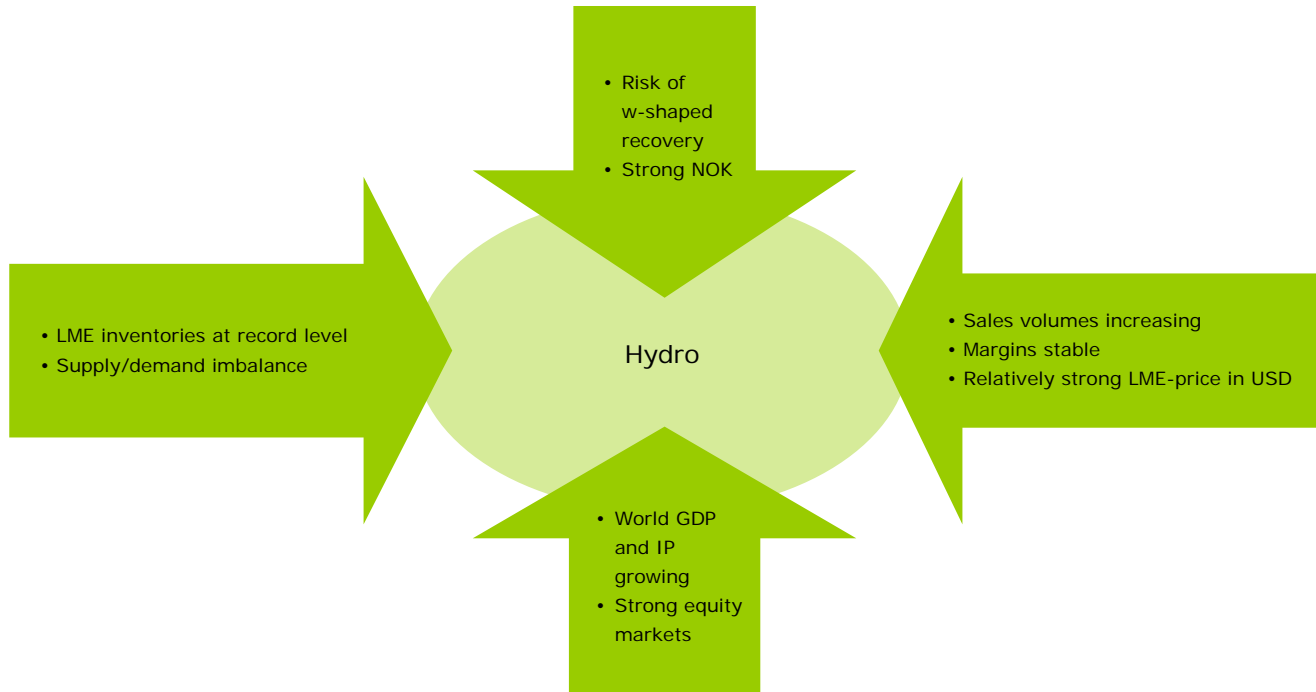
## World outside China

Global ex China (annualized)



Source: CRU Jan 2010

# Mixed signals in markets and economy



2

# Strategy

# Solid measures executed in 2009



## Hydro

- Operating capital reduced by NOK 5.8 billion
- Capital expenditure plans cut by 50% from 2008-level
- Permanent and temporary workers reduced by 4 500
- Staff and support manning reduced by 30%, NOK 750 million in reduced manning and external costs



## Extruded Products

- Significant cost savings and manning reductions
- Agreement to divest Automotive Structures
- Decision to close Adrian precision tubing plant



## Rolled Products

- Significant cost savings and manning reductions
- Agreement to divest Inasa rolling mill



## Metal Markets

- Utilized flexible remelt system to quickly respond to demand changes

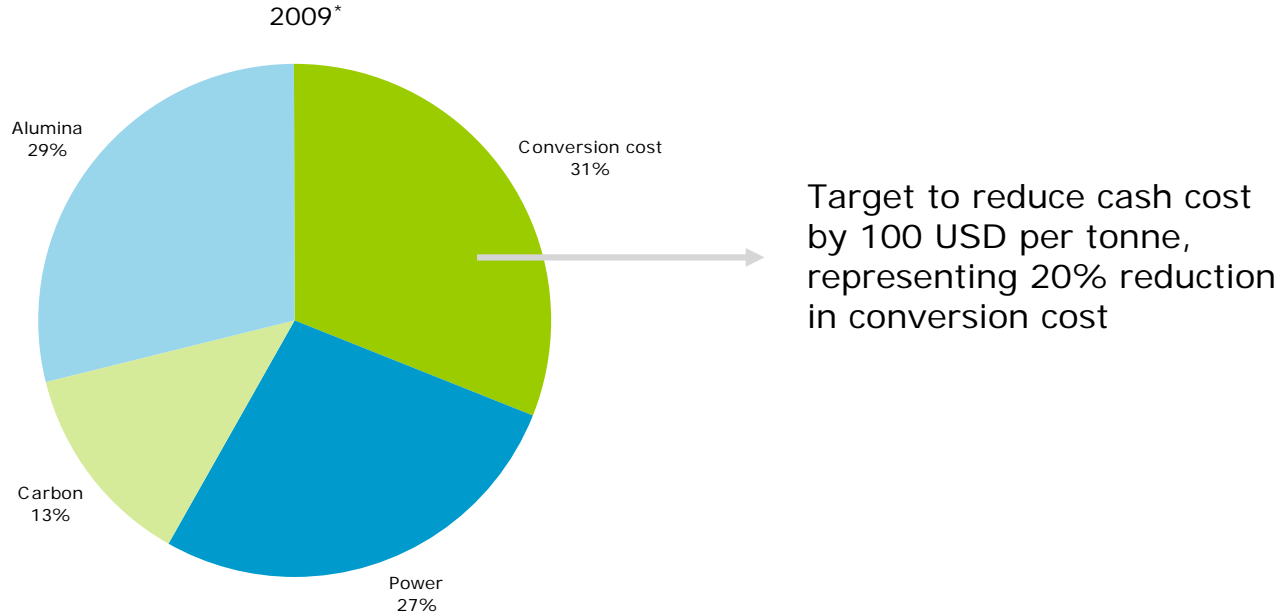


## Primary Metal

- Cash costs reduced by 30%
- Primary aluminium production curtailed by 26%
- Alumina production curtailed by 22%

# Further upstream improvements necessary

Focus on lean smelter operations and operational excellence

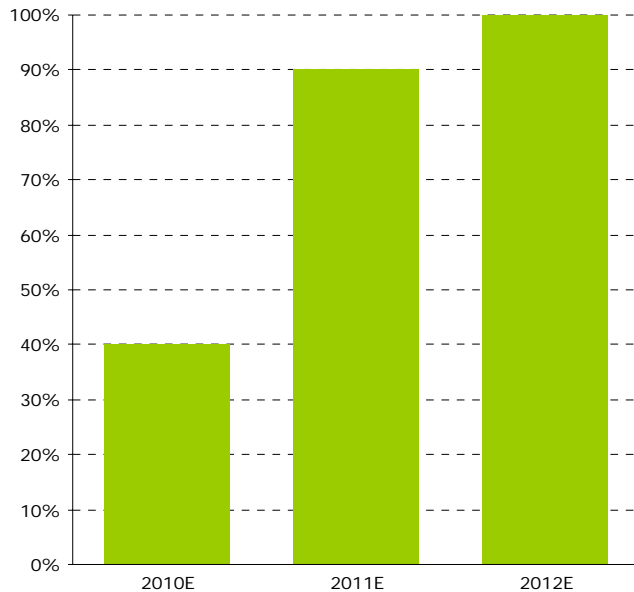


\* Includes only fully consolidated smelters



# Ambitious plan to cut cost by 100 USD/tonne

90% to be realized by end-2011 compared to 2009



- Accelerated operational performance defined within Primary Metals production management system:
  - Improved current efficiency
  - Reduced power consumption
  - Reduced anode consumption
- Reduced fixed cost and lean operations

Calculation based on stable assumptions for LME, currencies, raw material prices etc. Includes only fully consolidated smelters.

# Primary Metal

Next steps in repositioning



- Implement stretch targets for cost savings and operational performance at existing assets
- Continued efforts on procurement initiatives
- Production curtailments
  - Additional curtailments – if needed
  - No restarts before it makes financial and industrial sense
- New growth projects only in first quartile on cost curve
- Qatalum start-up

# Metal Markets



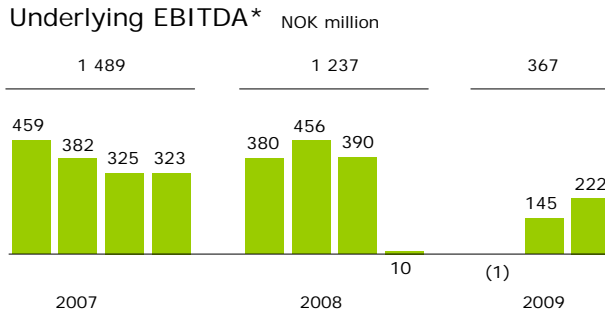
## Strategy

- Increased business volume through limited asset investments
- Optimized sourcing, casthouse operations and commercial marketing of metal products
- Primary casthouses to maximize capacity utilization by streamlining the production
- Gain leading position in scrap conversion
- Basis for strategic alliances

# Extruded Products



- Leading positions in Extrusion Eurasia and Building Systems
  - Strong entrepreneurial spirit, management culture and competence
  - Product quality and service excellence
  - Product innovation through strong customer relations
  - Performance management – operational excellence
- Strong position in the US and Brazil
- Strategy
  - Reinforce European extrusion base
  - Specialist in energy-neutral building solutions
  - Selective acquisitions
  - Entry into new markets



\*Excluding Automotive Structures

# Building Systems

Our way to energy neutral & surplus buildings



- Strong multi-brand market penetration
- World wide sales organization
- High performing products
- Selective acquisitions
- Buildings of tomorrow
  - Energy saving
  - Energy gaining
  - 100% recyclable
  - Interactive with the user

**WICONA**  
TECHNOLOGY FOR IDEAS

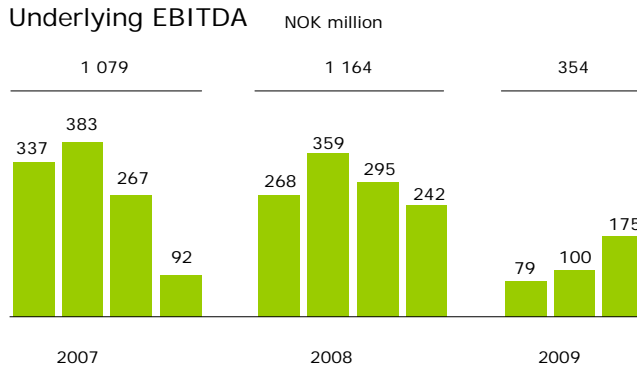


alumafel  domal 

# Rolled Products



- Strong position in foil, litho and automotive
- Underutilization and overcapacity is an industry challenge
- Strategy
  - Margin management and cash generation
  - Focus production system on core assets
  - High grading product portfolio



# Energy

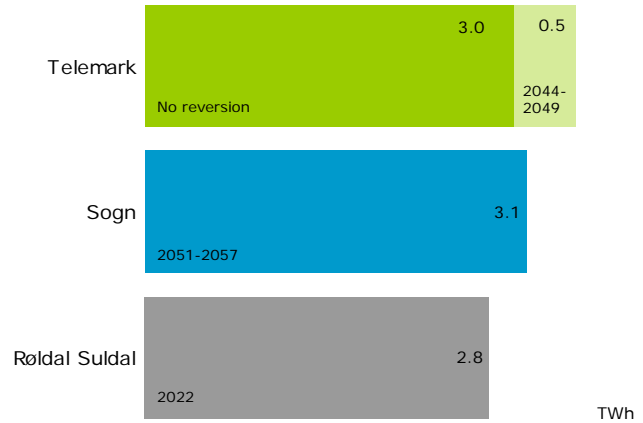
## Strategy

- Expand solid captive power position
  - 0.5 – 1 TWh development potential
  - Utilizing existing concession areas and infrastructure
  - Investment NOK 1.2 – 2.5 billion from 2011 onwards
  - Normal production today 9.4 Twh
- Long-term power sourcing at predictable cost

## Reversion

- Effects for private companies
- No renewal or new concessions
  - Can own up to 1/3 of publicly owned plants
  - Everlasting concessions if sold to public companies
- Implications for Hydro
  - First large system to revert in 2022
  - Financial impact muted by:
    - Public everlasting concession possibility
    - Hydro can maintain 1/3 indefinitely

## Normal production capacity per region and terms



Note: public ownership implies ownership by the state or municipalities

# Going forward



## Upstream

- Cost reduction

## Midstream

- Margin management

## Downstream

- Margin management
- Capture possibilities
- Cost control

Working capital management

Capital expenditures discipline



# Attractive upstream growth pipeline

**Qatalum 2 – aluminium smelter, Qatar**



- Potential for expanding Qatalum up to 1.2 million mt
- Utilize next-generation smelting technology, HAL4e

**CAP – alumina refinery, Brazil**



- Joint venture agreement between Vale (61%), Hydro (20%) and Dubal (19%)
- First stage 1.9 million mt of alumina, potential for expansions up to 7.4 million mt

**Hydro power developments, Norway**



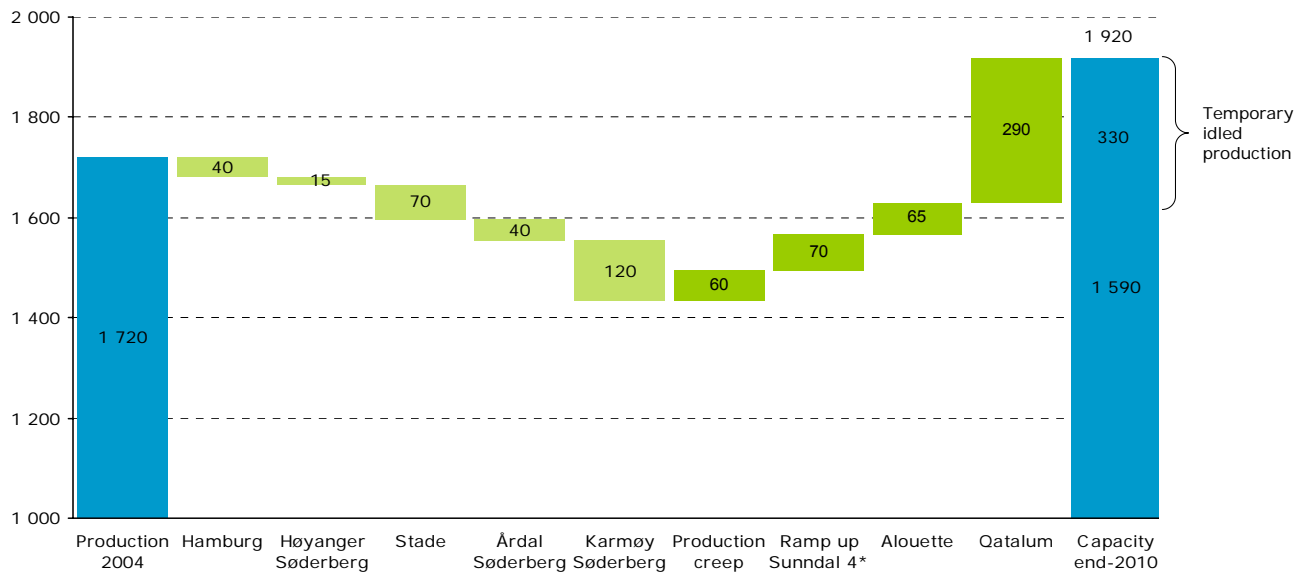
- Development potential 0.5 – 1 TWh
- Utilizing existing concession areas and infrastructure

3

## Qatalum execution

# Repositioning of Primary Metal

Primary aluminium production, 1 000 tonnes



\* Ramp up during 2005. Full expansion of Sunndal 4 was 150 000 tonnes

# Qatalum financing

## Project economics

- First decile position on cash cost curve when in full operation

## Qatalum financing

- USD 5.7 billion (100%)
- Equity from owners 54%
- Project financed 46%

## Project financing

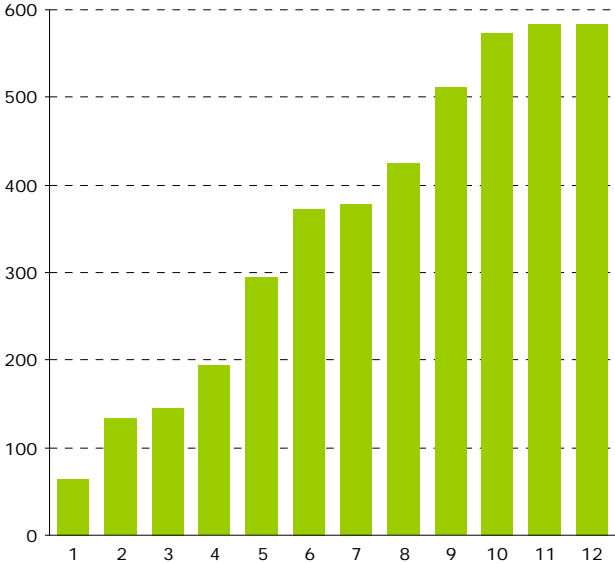
- Term of loan is 16.5 years from August 2007
- Installment profile adjusted for cash flow profile
- Competitive terms



# Qatalum ramp-up schedule



Production in 1 000 tonnes on 100% basis, annualized

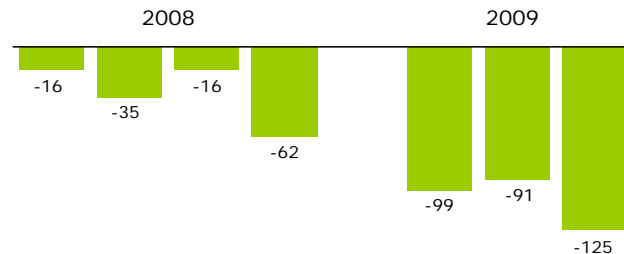


# Qatalum earnings



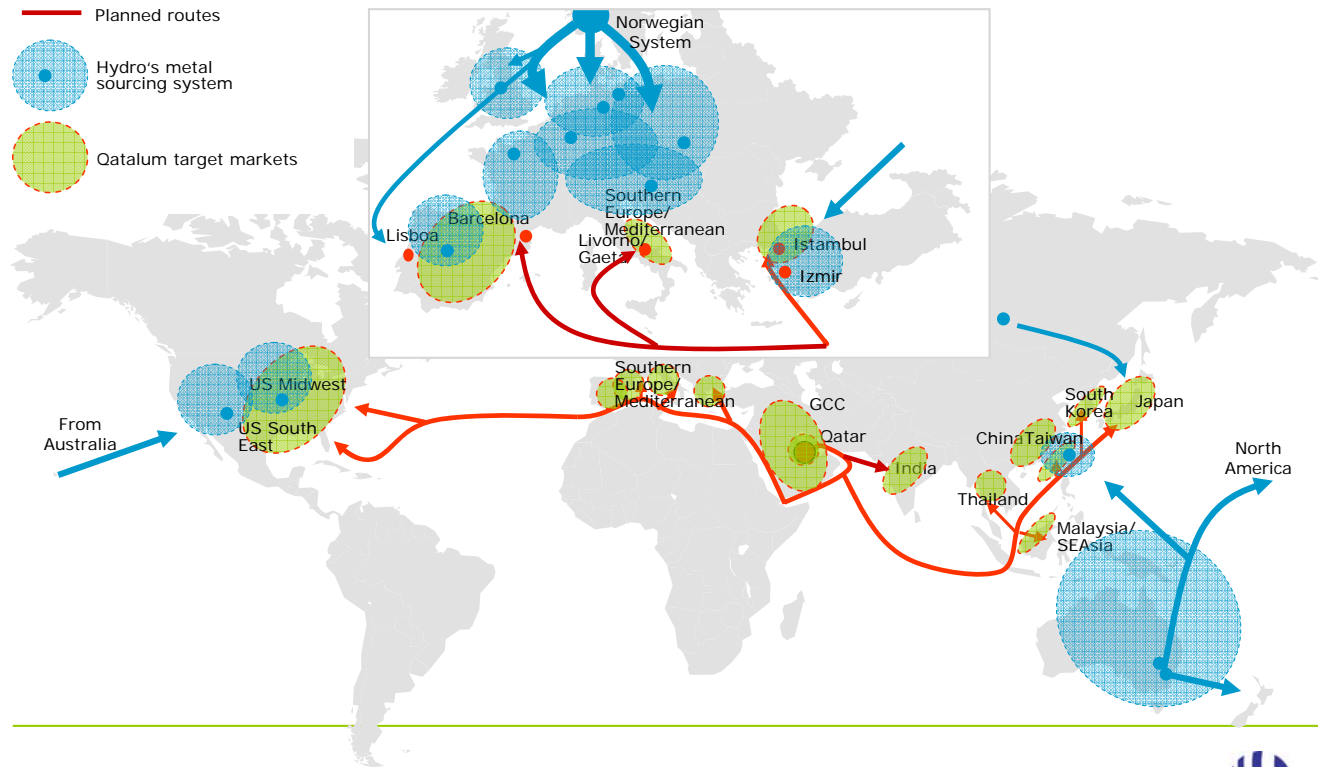
- Build-up costs in 2009 and into 2010
- Depreciated over ~20 years
- Marginal tax implications
- At current forward prices -
  - Earnings negative in 2010
  - No dividend expected short term

Hydro's share of underlying EBIT in NOK million



# Global metal sales from Qatalum in 2010

Total 340 000 tonnes: 75% products & 25% standard ingot



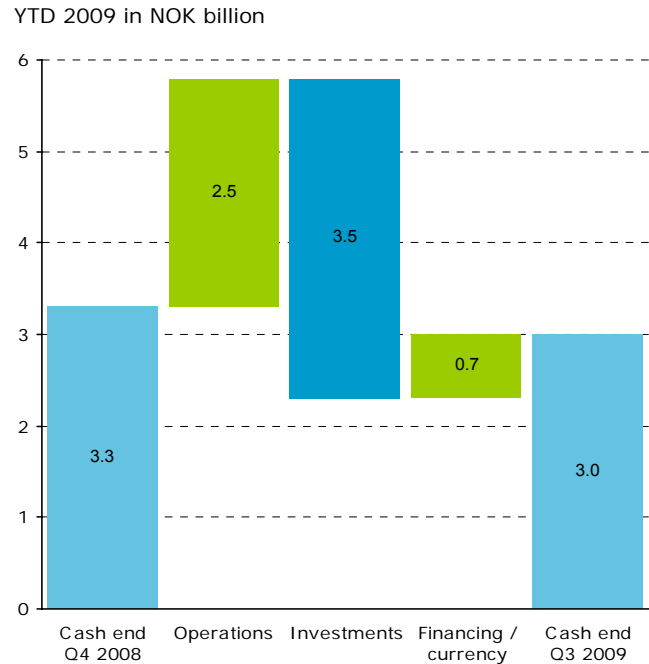
4

## Financial flexibility

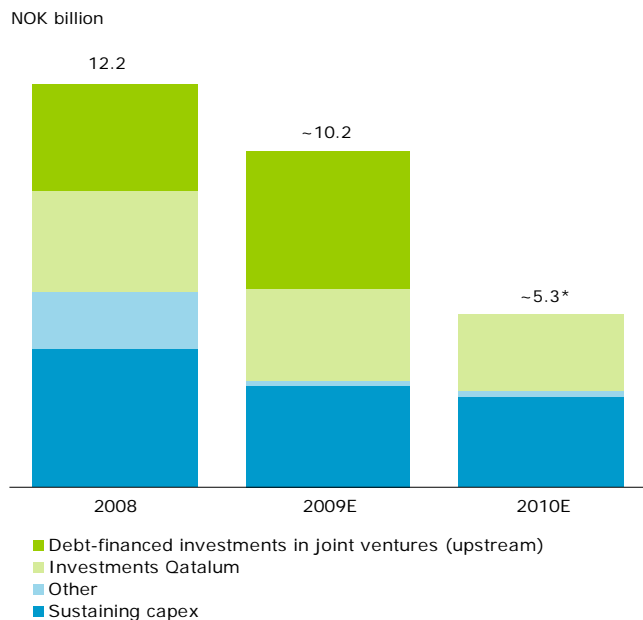


# Cash flow neutral first nine months 2009

- Significant reductions in operating capital ~NOK 5.8 billion realized in 2009
- Capital discipline – reduced investments
- No dividend payment in 2009
- Qatalum investments
  - Project financed in first half 2009
  - Equity contribution from partners in second half 2009 and 2010



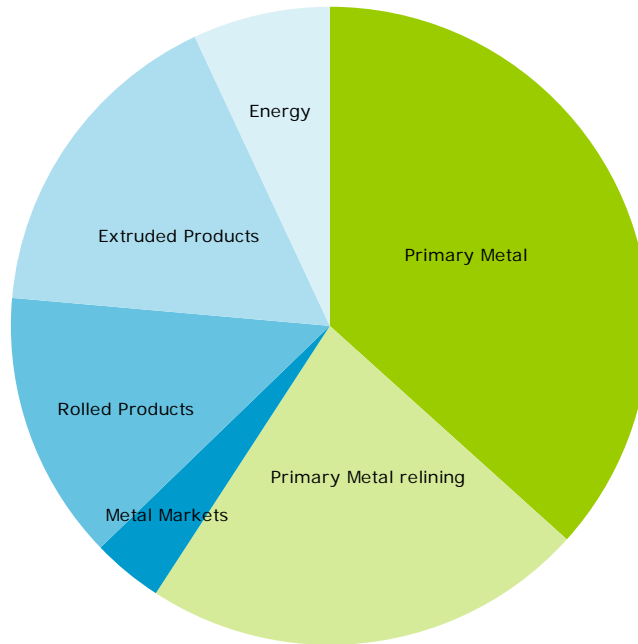
# Capital expenditures



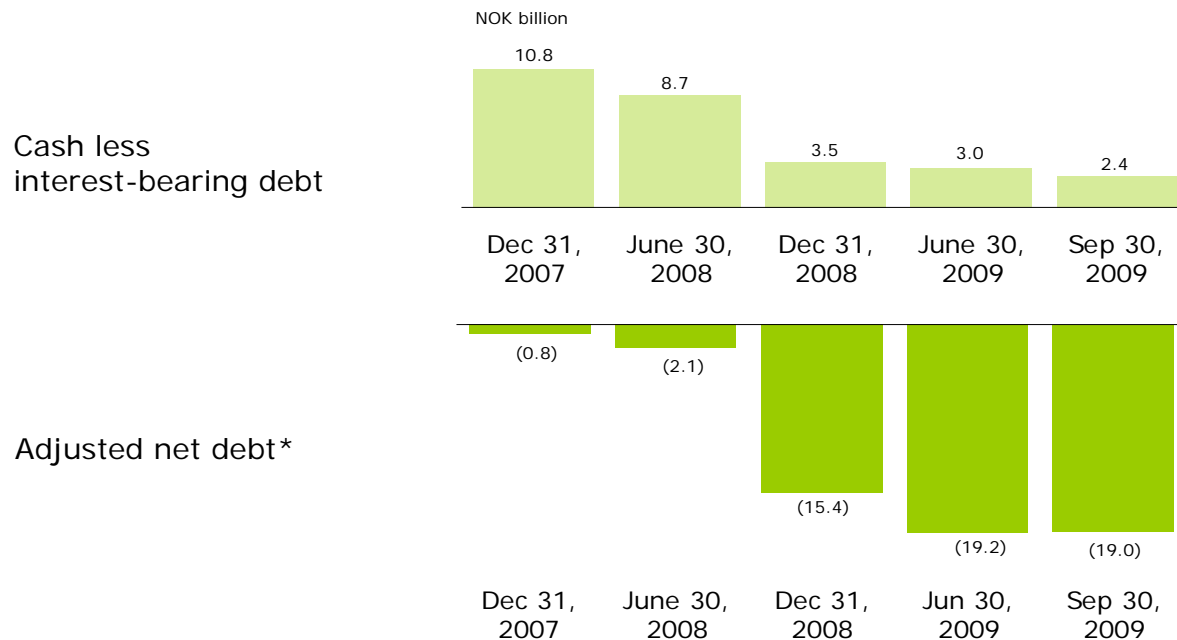
\* Excluding net operating capital in Qatalum

- ~80% of 2009-2010 investments upstream
- Sustaining capex ~NOK 2.5-3 billion annually
- Qatalum
  - Project financed in first half 2009
  - Equity contribution in Q3 – NOK 1.5 billion
  - Equity contributions from partners and project financing in Q4
  - Equity contributions mainly from partners in 2010
- Additional prospects not included
  - Holsbru power development
  - Selective growth in Extrusion and Building Systems

# Sustaining capital expenditures



# Financial position



\* Net interest-bearing debt in equity accounted investments, net pension liability, operating lease commitments and other

# Liquidity well covered



## Available long-term credit facilities

- EUR 750 million in bank facility maturing in 2012
- USD 1.7 billion in multi-currency revolving facility maturing in 2014
- Currently ~NOK 16 billion undrawn

## Qatalum investments

- USD 5.7 billion project costs\* (100%)
  - USD 2.6 billion project financed
    - USD 0.1 billion outstanding end-Q3
  - USD 3.1 billion in equity from owners
    - USD 1.2 billion remaining end-Q3

\* Excluding net operating capital

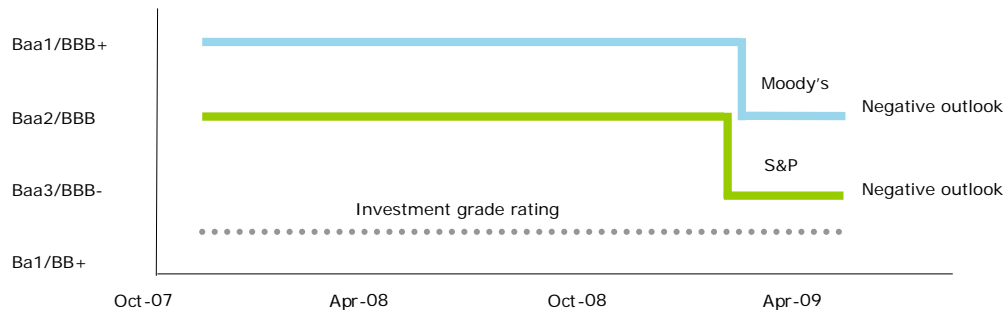
# Credit quality policy

## Maintain investment-grade rating

- Currently: BBB- (S&P), Baa2 (Moody's), both with negative outlook
- Competitive access to capital and important for Hydro's business model (partnerships and counterparty risk)

## Financial ratios over the business cycle – Hydro's ambitions

- Funds from operations to net adjusted debt > 40%
- Net adjusted debt to equity < 0.55

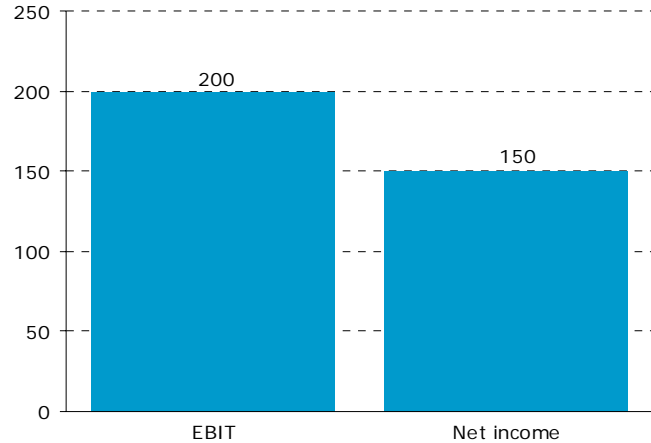


# Price and currency sensitivities

Aluminium price sensitivity +/- 100 USD per tonne



NOK/USD sensitivity +/- 0.1 NOK



- Annual sensitivities
- Aluminium price sensitivity is net of aluminium price indexed costs
- NOK/USD sensitivity includes USD revenues and costs
- Based on expected business volumes for 2010 and the following prices:
  - Aluminium 1 900 USD/tonne
  - NOK/USD 5.50
- LME sensitivity excludes unrealized effects related to operational hedging
- USD sensitivity on financial items is based on financial positions end Q3 09

# Shareholder policy

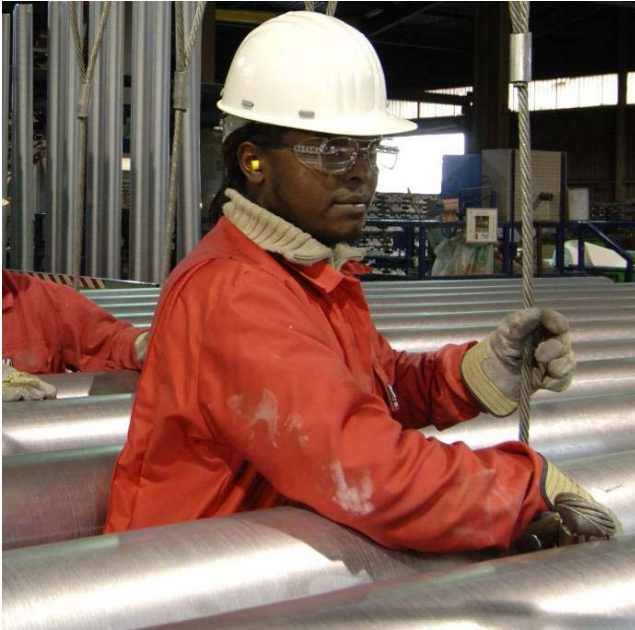


- Hydro aims to give shareholders competitive returns compared to alternative investments in peers
- Dividend payout ratio\* will average 30% over the cycle
- Buyback of shares and extraordinary dividends
  - When earnings, liquidity position and capital structure allow
- No dividend payout for 2008, but dividend policy maintained

\* Dividend divided by net income

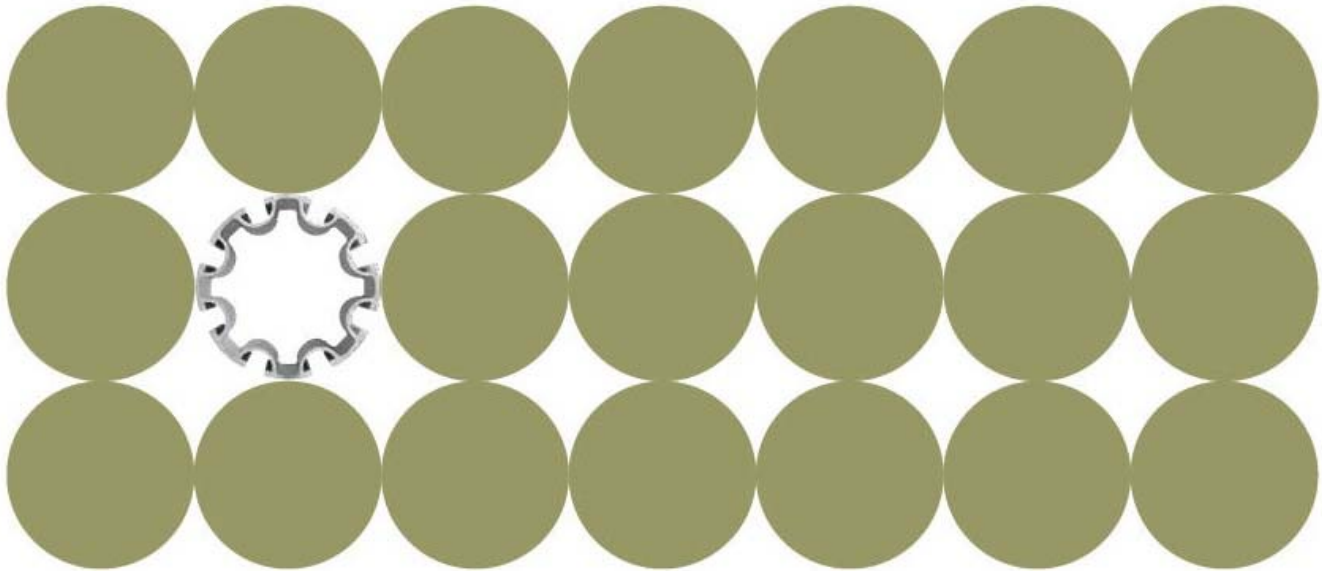


# Hydro's priorities



- Reposition upstream business
- Execute Qatalum
- Proactive corrective measures
- Financial flexibility
- Stay close to customers
- Solid operations
- Competitive shareholder returns
  - Dividend policy: 30% of net income over the cycle

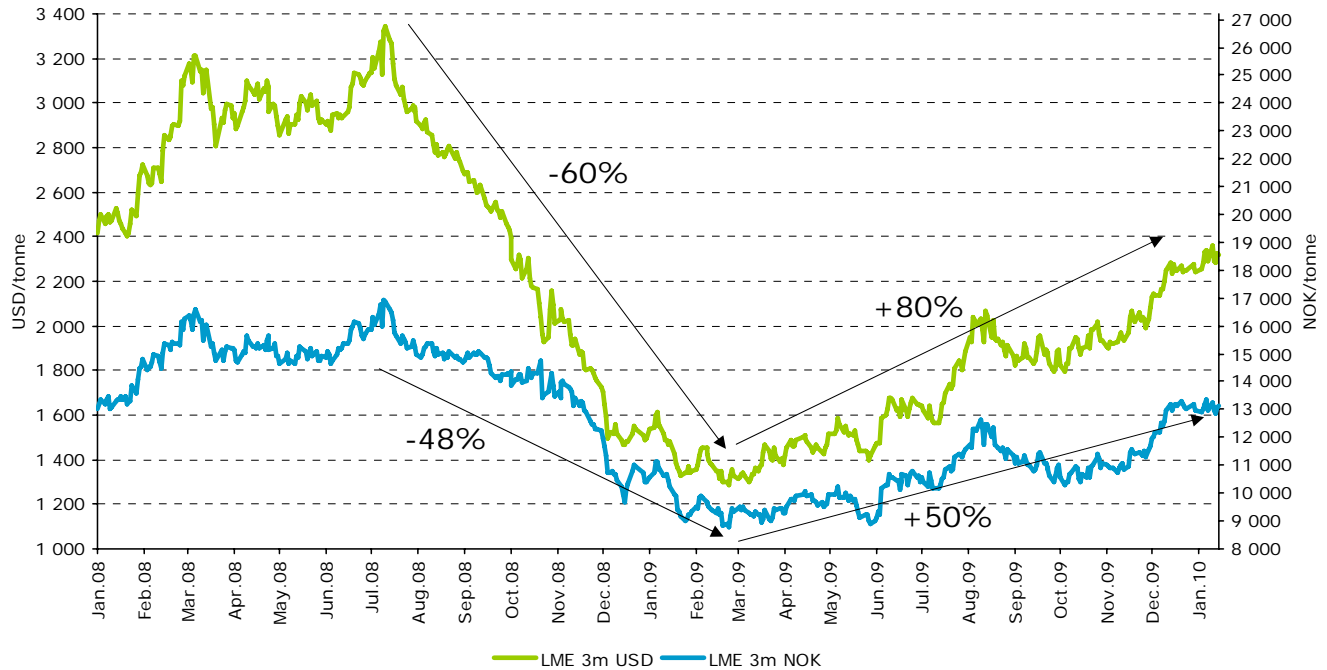
# Aluminium market update



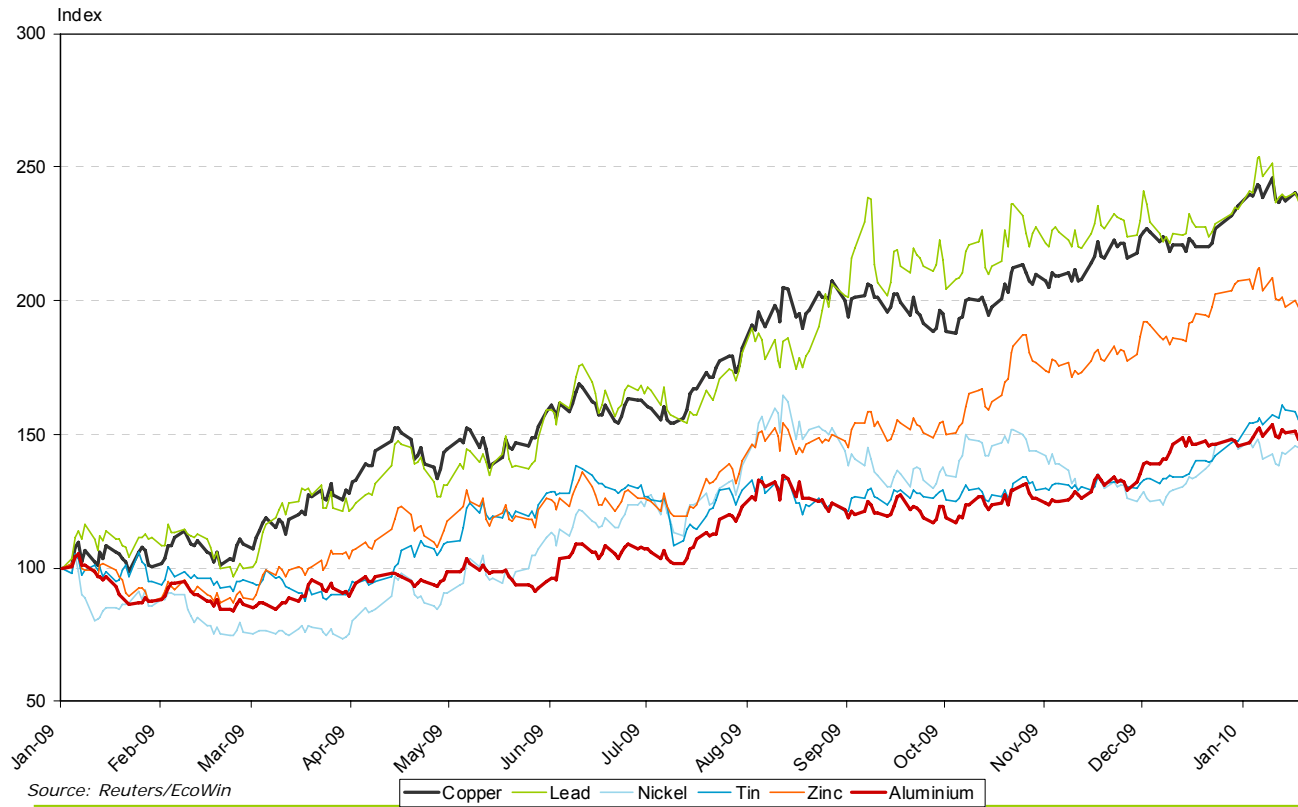
Eigil Madsen, Head of Portfolio Development Primary Metal

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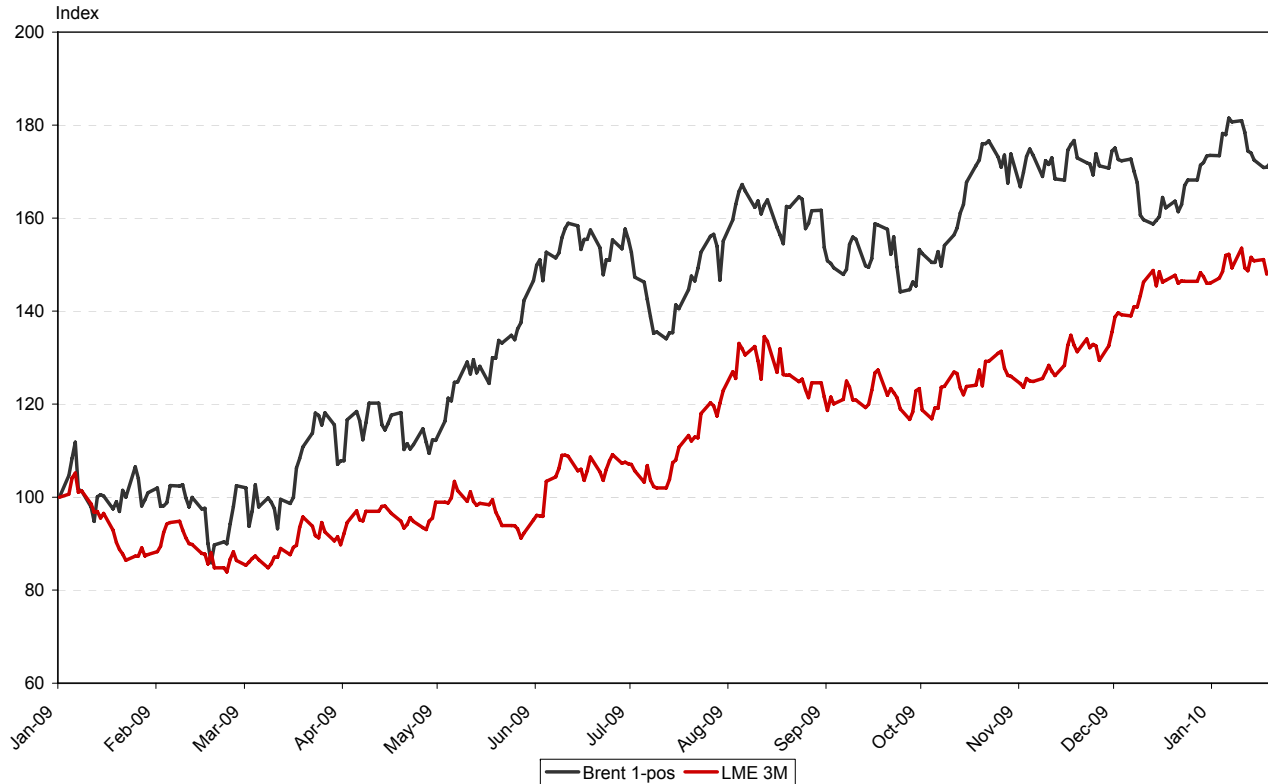
# Aluminium price



# Base metals price index (USD) from Jan 1, 2009

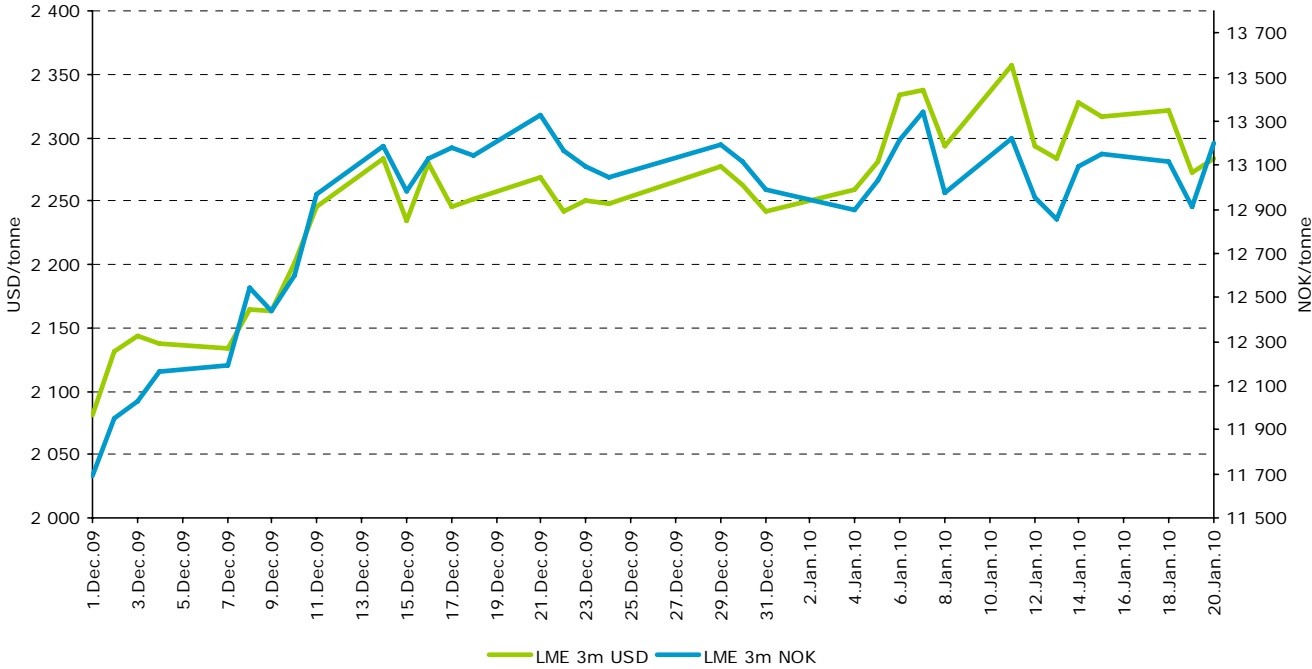


# Oil vs. aluminium(USD) from Jan 1, 2009

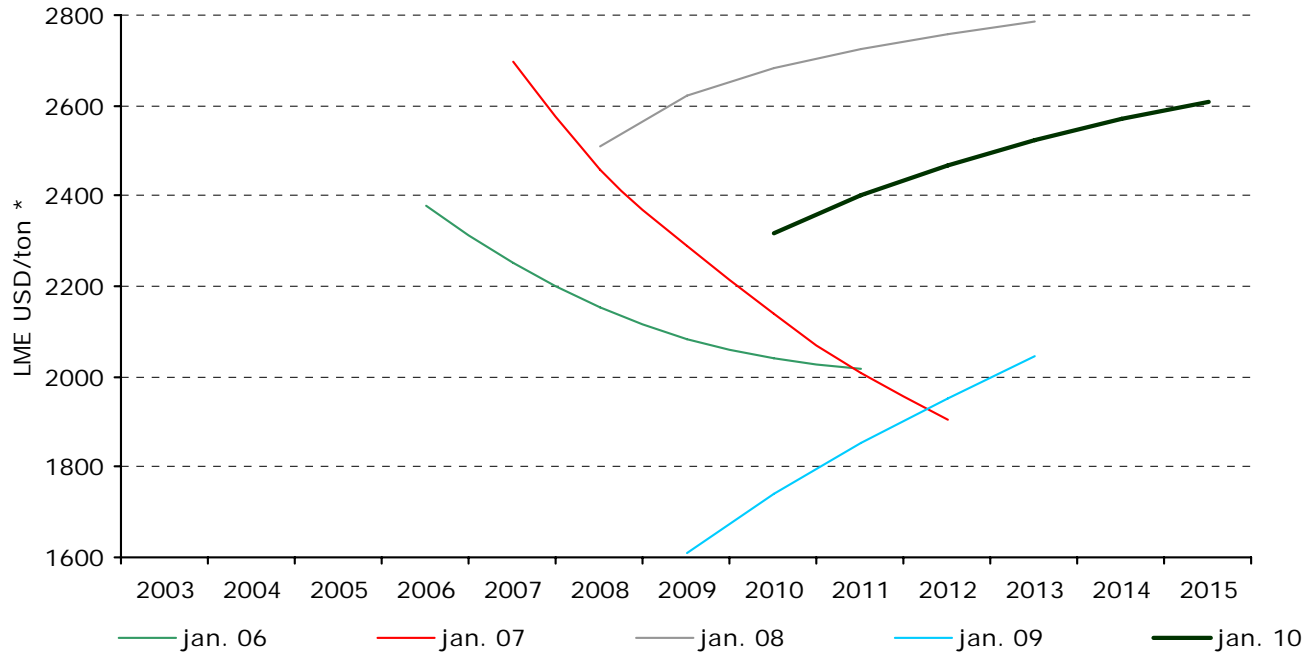


Source: Reuters/EcoWin

# Price development since December 1, 2009

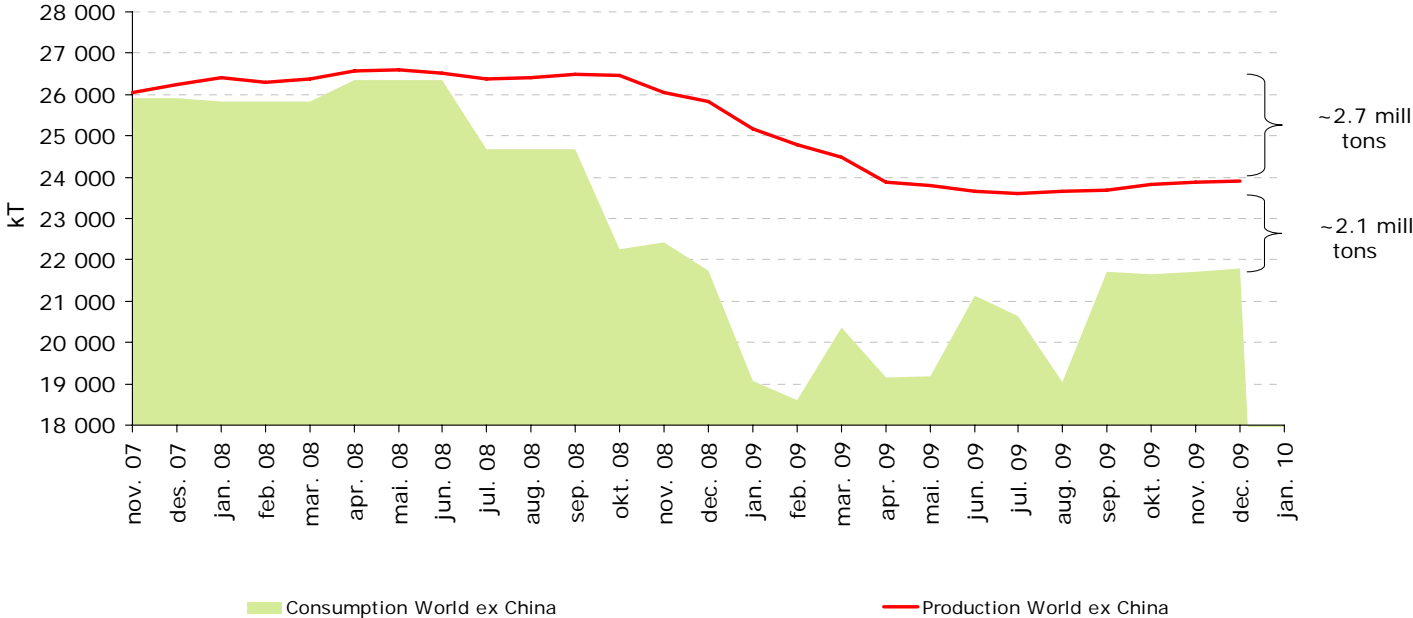


# LME forward curves 2006-10



# Still unbalance, but at a reduced level

Global ex China (annualized)

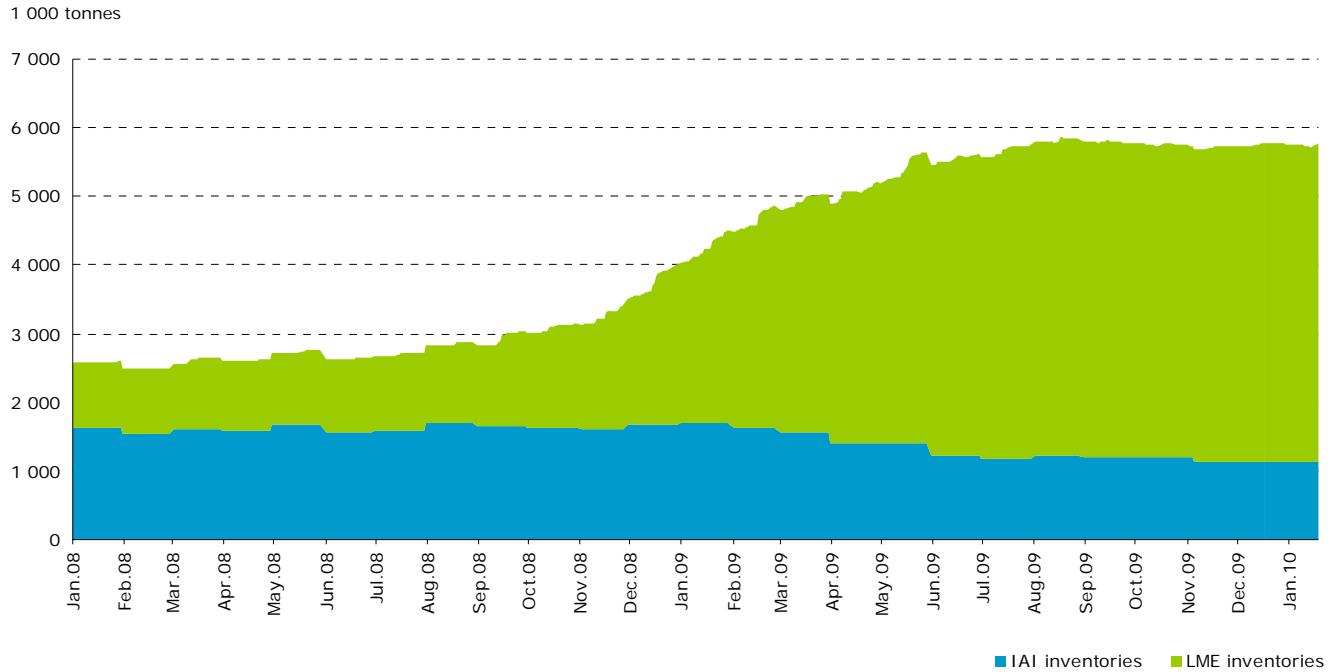


Source: CRU





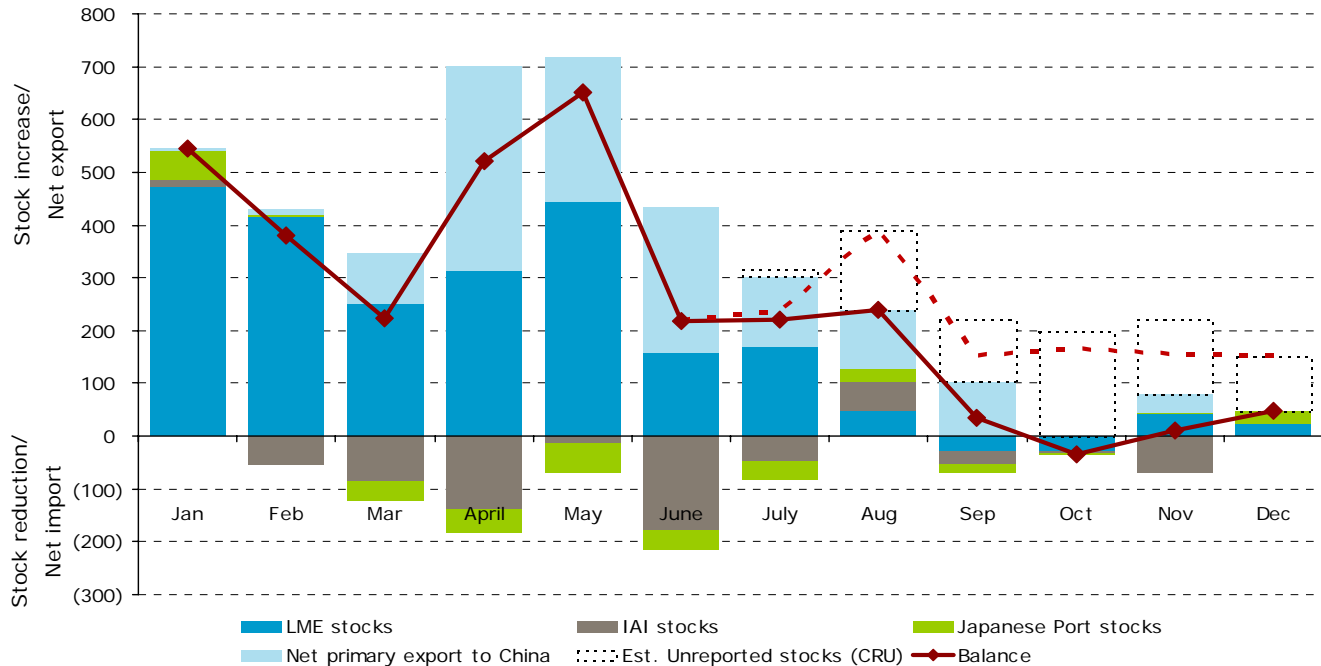
# Stock development



Source: Reuters/EcoWin

# Apparent (un)balance demand/production outside China

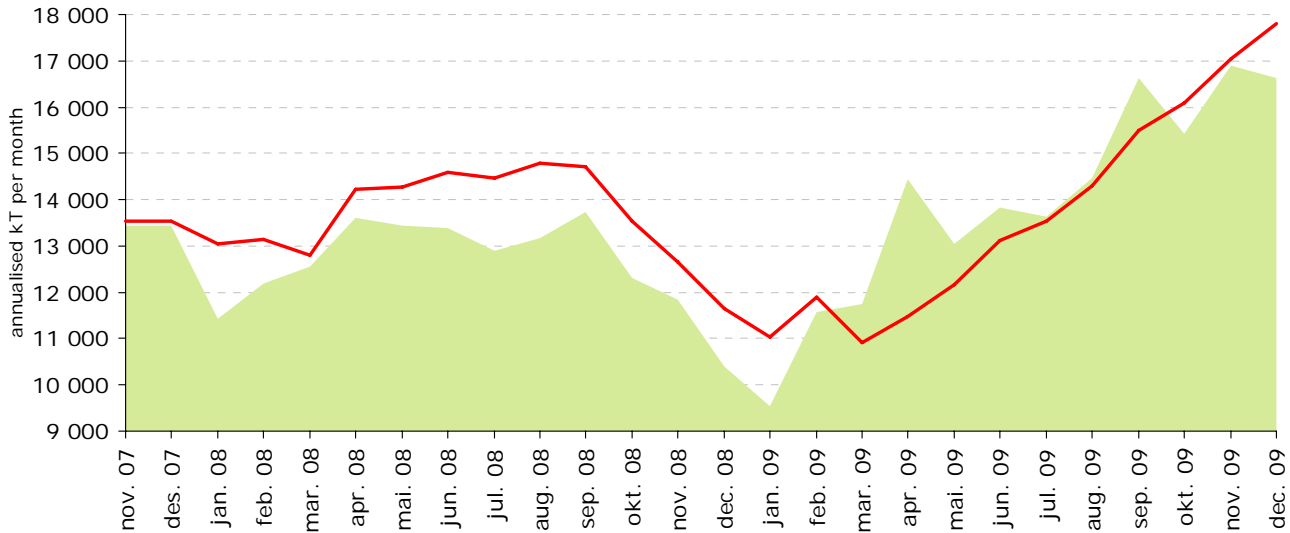
1 000 tonnes



# Chinese production at all-time high

...and increasing

China (annualised per month)



Source: CRU

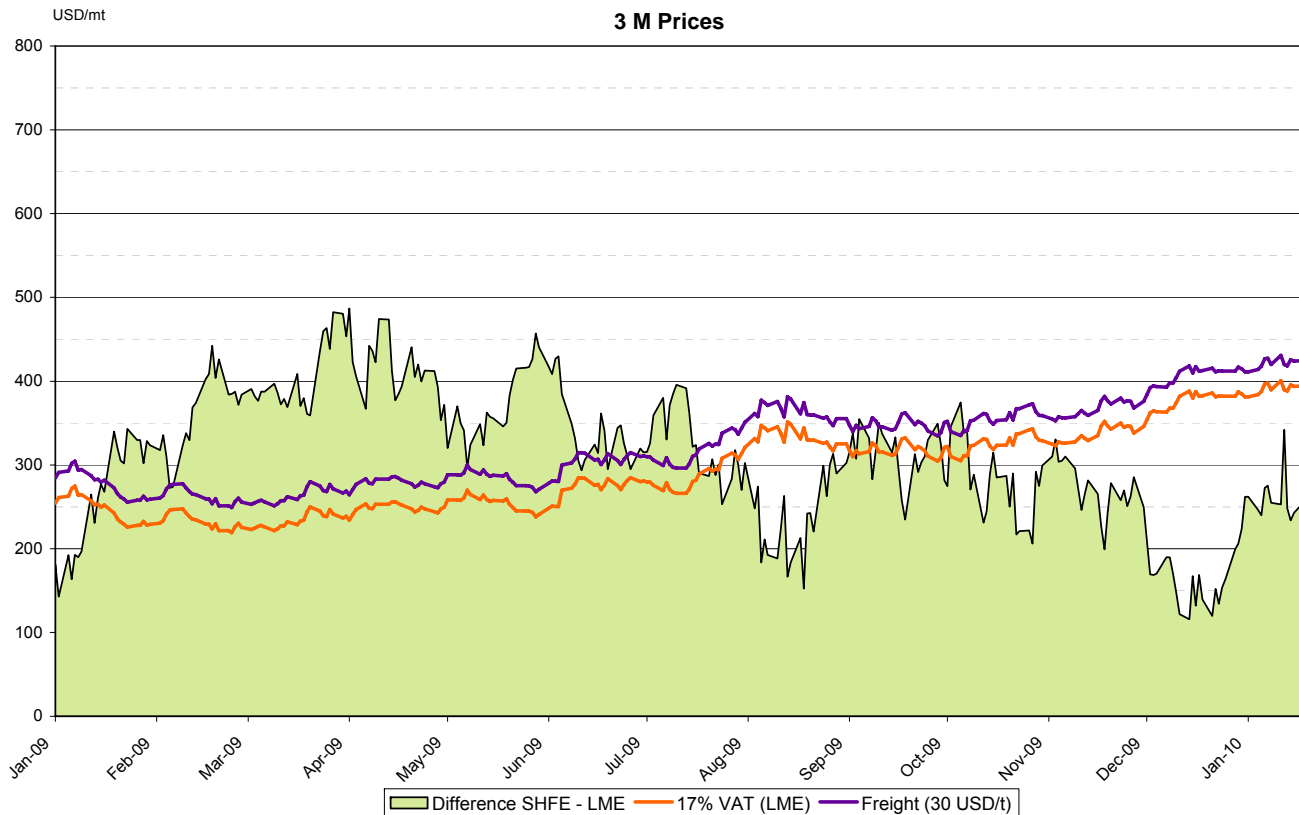
China Consumption

China Production

# LME and Shanghai\* aluminium price



# Arbitrage LME vs Shanghai aluminium price

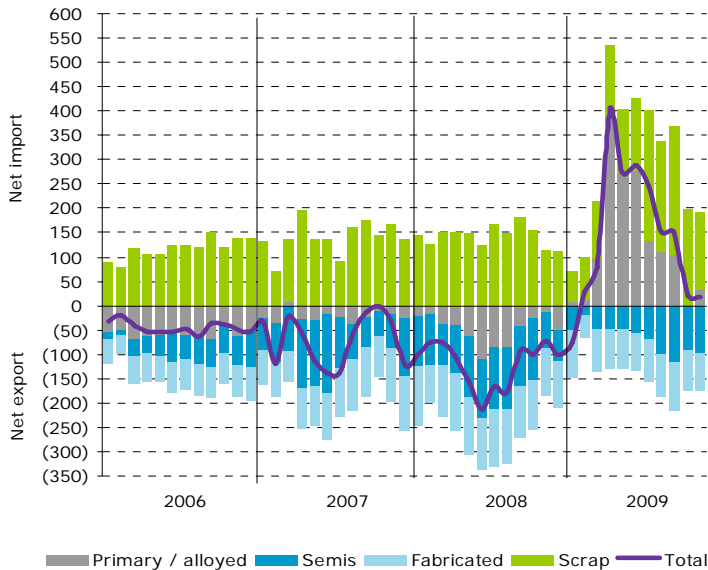


Source: Reuters/EcoWin

# China: swift response to market conditions and prices

## Limited imports of primary metal likely in 2010

1 000 tonnes

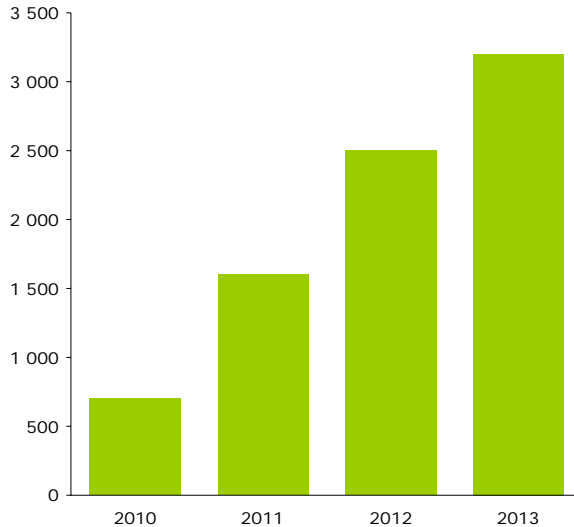


- Production curtailments
- Strategic government purchases – lifted inland prices, import became profitable
- Government incentives increased demand in 2009
- Production increase in 2009/2010
  - Restart of curtailed capacity
  - New capacity being built
- Imports of primary aluminium expected to stay low, but also primary exports to be limited

Source: Hydro / Antaike Jaunary 2010

# New production from green and brownfield projects under construction is coming on stream

Accumulated new capacity World ex China,  
1 000 tonnes



Qatalum

- 600 kT

Emal

- 700 kT

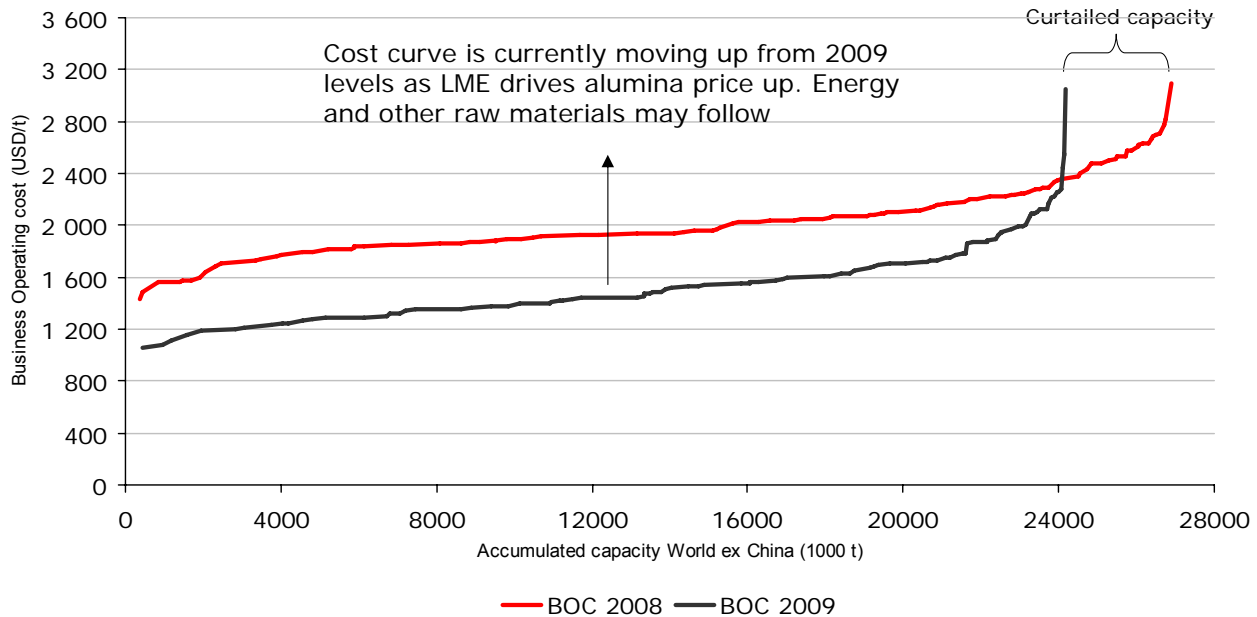
India

- ~ 1500 kT

- In addition we assume 300 kt unspecified creep by 2010, and 400 kt in 2011

Source: Hydro S&BD, Analysis 2009

# Industry cost came down from 2008 to 2009, currently the cost curve is moving up

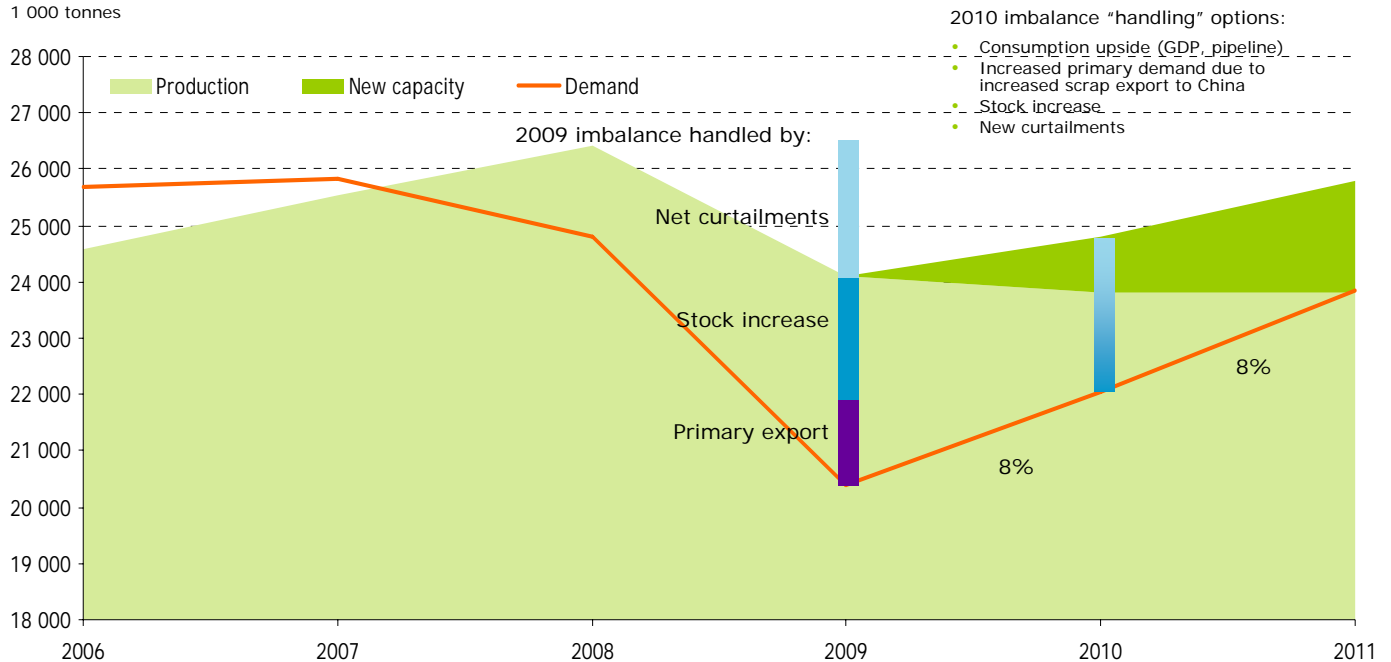


Source: CRU, BOC 2008: LME 2834 USD/tonne, USDNOK 5,16  
BOC 2009: LME 1940 USD/tonne, USDNOK 5,64



# 2010 balance – same view as shown at CMD

World outside China



Source: CRU / Hydro

# Demand estimates world excluding China

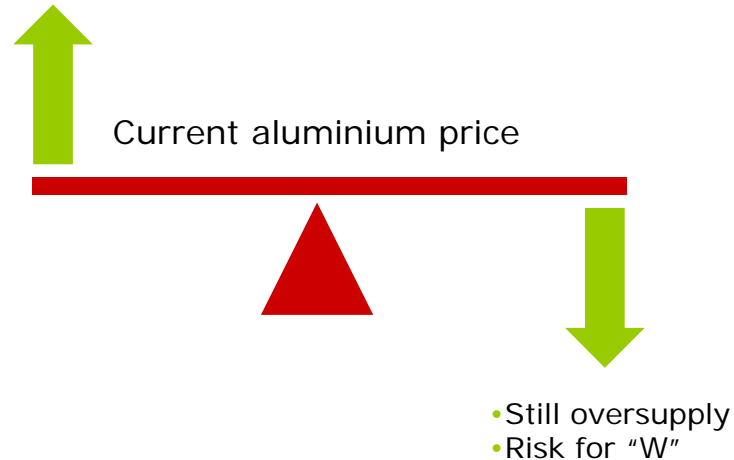
World outside China	Demand 2009 million tonnes	Demand 2010 million tonnes	%
CRU – January Quarterly	20.4	22.3	9 %
Alcoa – 4Q presentation	21.4	22.5	5 %

# Strong LME price in spite of sustained over production

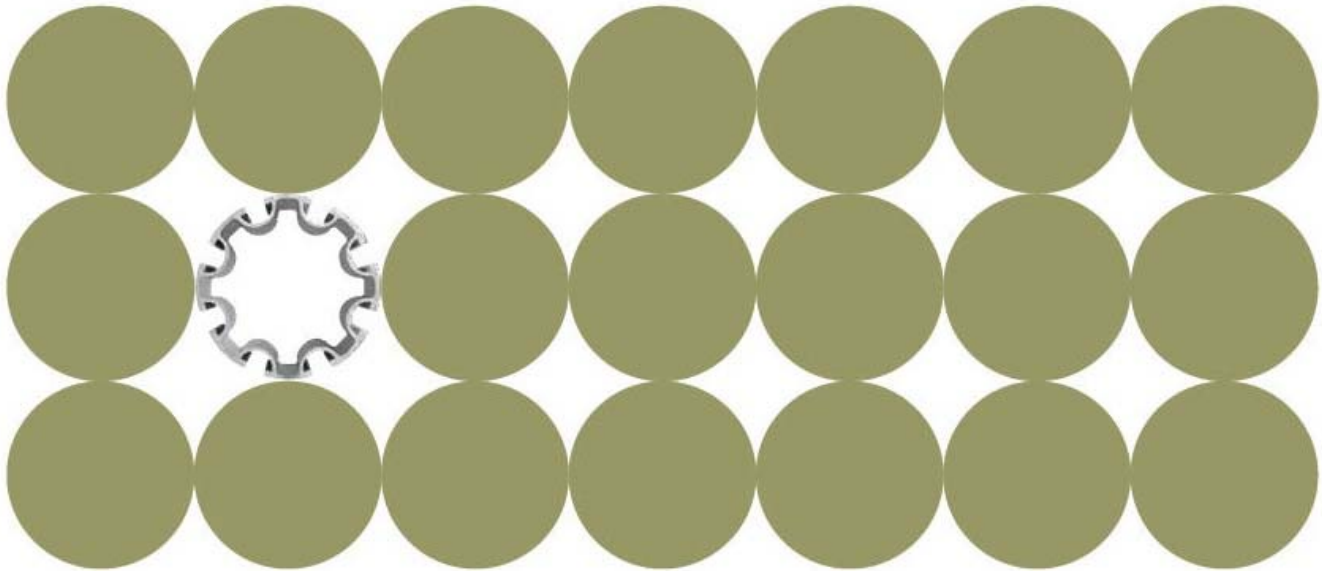
- High inventory levels
  - Availability of capital at low interest rates
  - A stable contango has financed stocks that are “locked in” until Q2/Q3 2010
- Strong inflow of investment money – No producers selling
- Physical ingot premiums still elevated – Rusal continuing warehousing deals

# Price drivers for 2010

- High inflow of investment money
- Restocking after crisis
- Stocks “locked” in warehouse deals
- Rising marginal cost
- Commodities create expectations also for aluminium



# Qatalum project



Tom Røtjer, Executive Vice President and Head of Projects

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# Qatalum location



Mesaied Industrial City

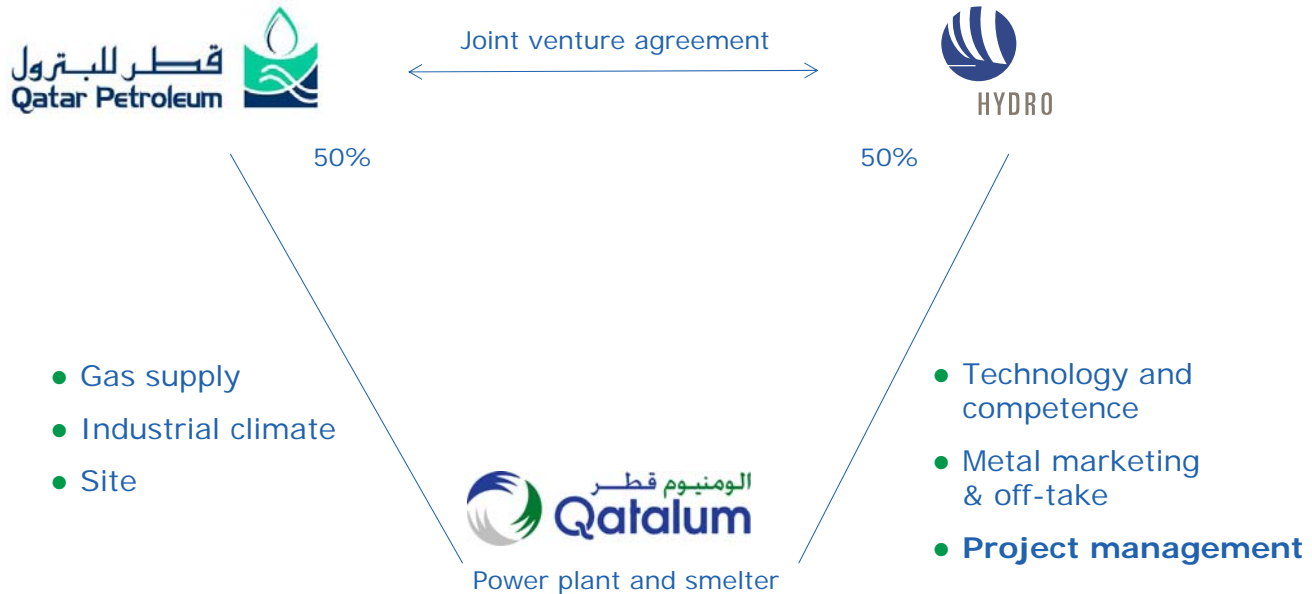


## Hydro history in Qatar

- **Qafco 1 in 1973**
- **Qafco 2 in 1979**
- **Qafco 3 in 1997**
- **Qafco 4 in 2004**
- **Qatar Vinyl Company in 2001**

# Qatalum a 50/50 joint-venture company

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# A new dimension aluminium project



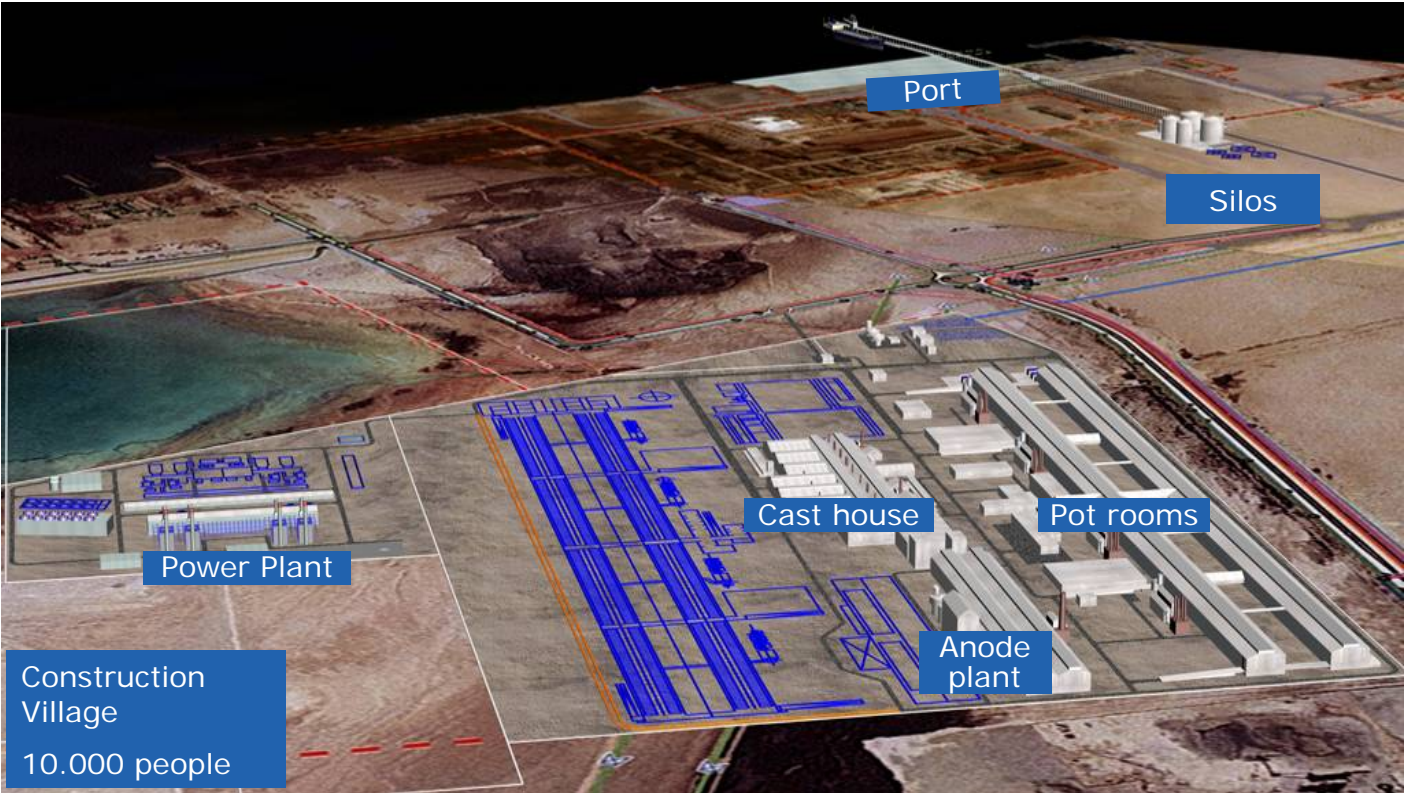
Heads of agreement	December 2004
Joint venture agreement	March 2006
Investment decision	October 2006
Final build decision	July 2007
Production start-up	Year-end 2009
Ramp-up	During 2010



## Key reference project - Sunndal 4

- Hydro technology used in Sunndal, further developed for Qatalum
- Project execution, start-up and operations experience implemented in Qatalum
- Personnel with experience from Sunndal key in Qatalum project

# Qatalum project scope





# Global procurement



21 Contracts

9 GCC, 2 North America, 7 Europe, 2 Asia, 1 Australia

2007-2008 "Crunch time"

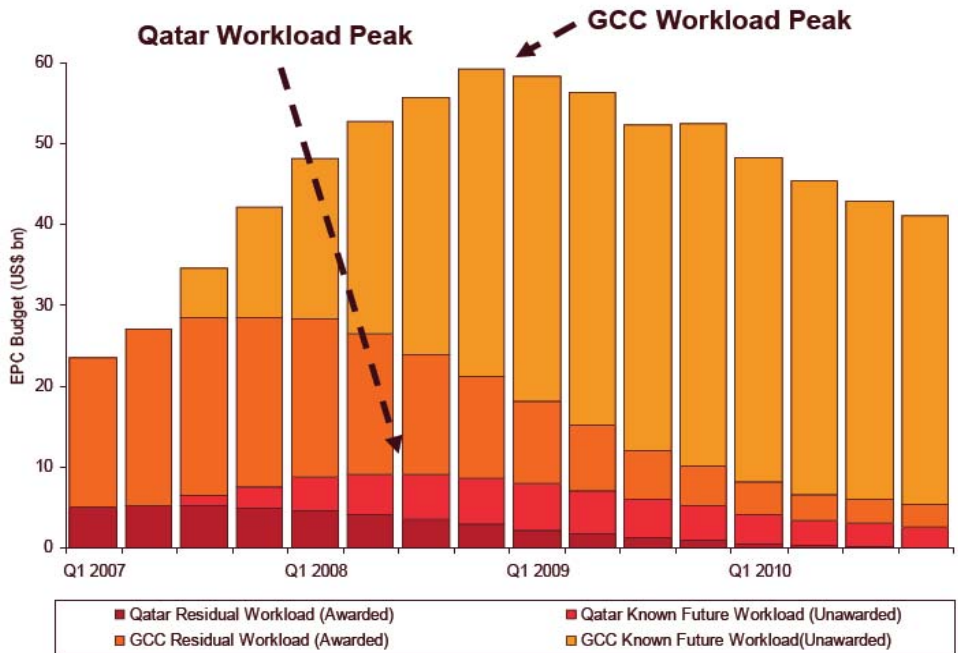
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for project execution in the Gulf area



# 2008 appears to be the 'crunch time' for project workload in the GCC and Qatar

GCC/Qatar Project Capex Workload 2007 - 2010



- Implications for Qatar?**
- Resources being diverted to Saudi Arabia and UAE where there is higher demand
  - Lack of availability of top tier contractors and resources
  - Sliding project schedules and delays

Source: Contax Market Intelligence, Oct 2007

Note: Analysis is based upon announced and awarded projects only.

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Slide No: 10



First site office February 07

Hail storm March 07





## Qatalum site September 2007

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10 million tonnes of landfill=200.000 truckloads  
Total driving distance ~20 million km  
1500 truck loads pr day



June 2008 - piling



June 2008 - 7200 people on site and INCREASING





17 000 workers on site – January 2009

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# Construction village

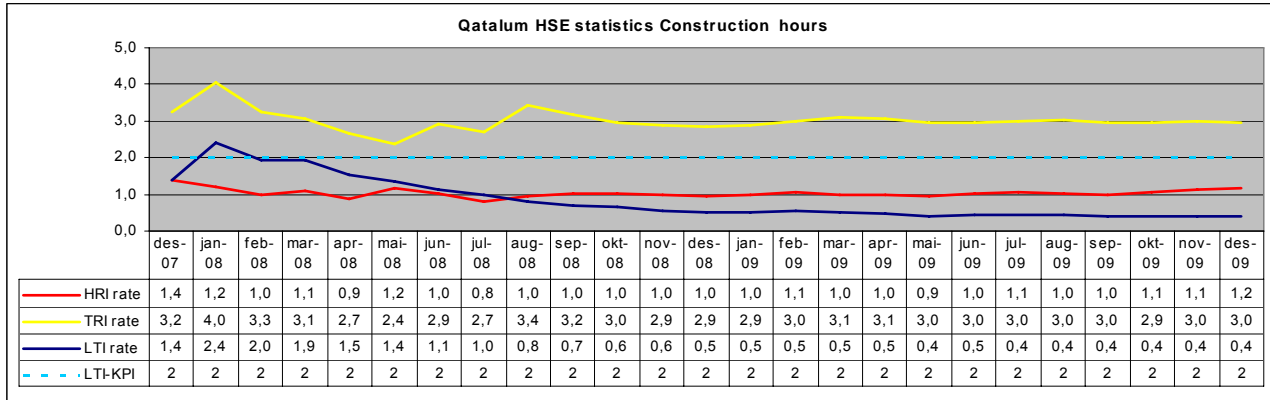


# Construction Village for 10 000 people





# Health, Safety & Environment – December 2009

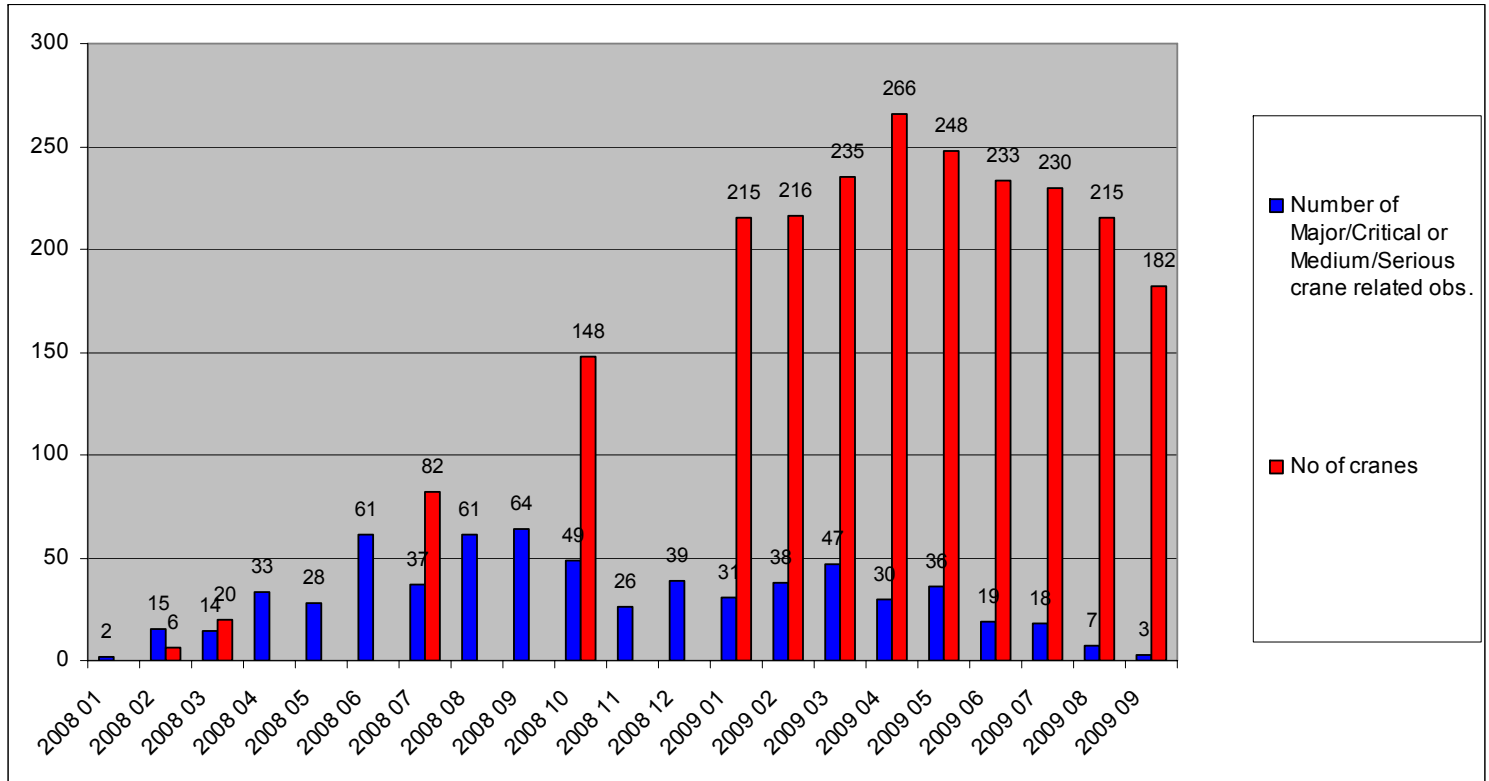


Total Project	Number of LTI		Medical Treatment Cases		* RWC	Working hours (Constr. hours)			LTI-rate*			TRI-rate*			High Risk Incidents	Total No. of HSE Observations
	NH	Contr.	NH	Contr.		NH	Contr.	Total	NH	Contr.	Total	NH	Contr.	Total		
Period	0	1	0	5	1	18912	3216293	0	0,3	0,3	0	2,2	2,2	4	4161	
Accum	0	32	0	139	64	390042	79057222	0	0,4	0,4	0	3,0	3,0	84	6688	

Last 12 months	Number of LTI		Medical Treatment Cases		* RWC	Working hours (Constr. hours)			LTI-rate*			TRI-rate*			High Risk Incidents	Total No. of HSE Observations
	NH	Contr.	NH	Contr.		NH	Contr.	Total	NH	Contr.	Total	NH	Contr.	Total		
Period	0	1	0	5	1	18912	3216293	0	0,3	0,3	0	2,2	2,2	4	4161	
Accum	0	19	0	89	52	241672	52972847	0	0,4	0,4	0	3,0	3,0	61	52713	

\*Man-hours from NKM Noell and Solios Carbone have not been included as the report has not yet been submitted

# No. of cranes related to no. of observations





Overall progress by end December 2009: 95%

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*Qatalum completion : some 400.000 tags*

*THE HYDRO WAY !!!!!!!!!!!!!*



2009-10-26



PTM 6





2009-10-13 potroom building and fume treatment plant



2009-10-26



# Carbon - Baking Furnace Tending Assembly



Anode Baking furnace production:  
340 000 anodes per year.

Paste Plant capacity 60 tonnes/hour  
of green anodes



2009-10-26





## 2009-12-14 Silos with conveyor belt



2009-09-27

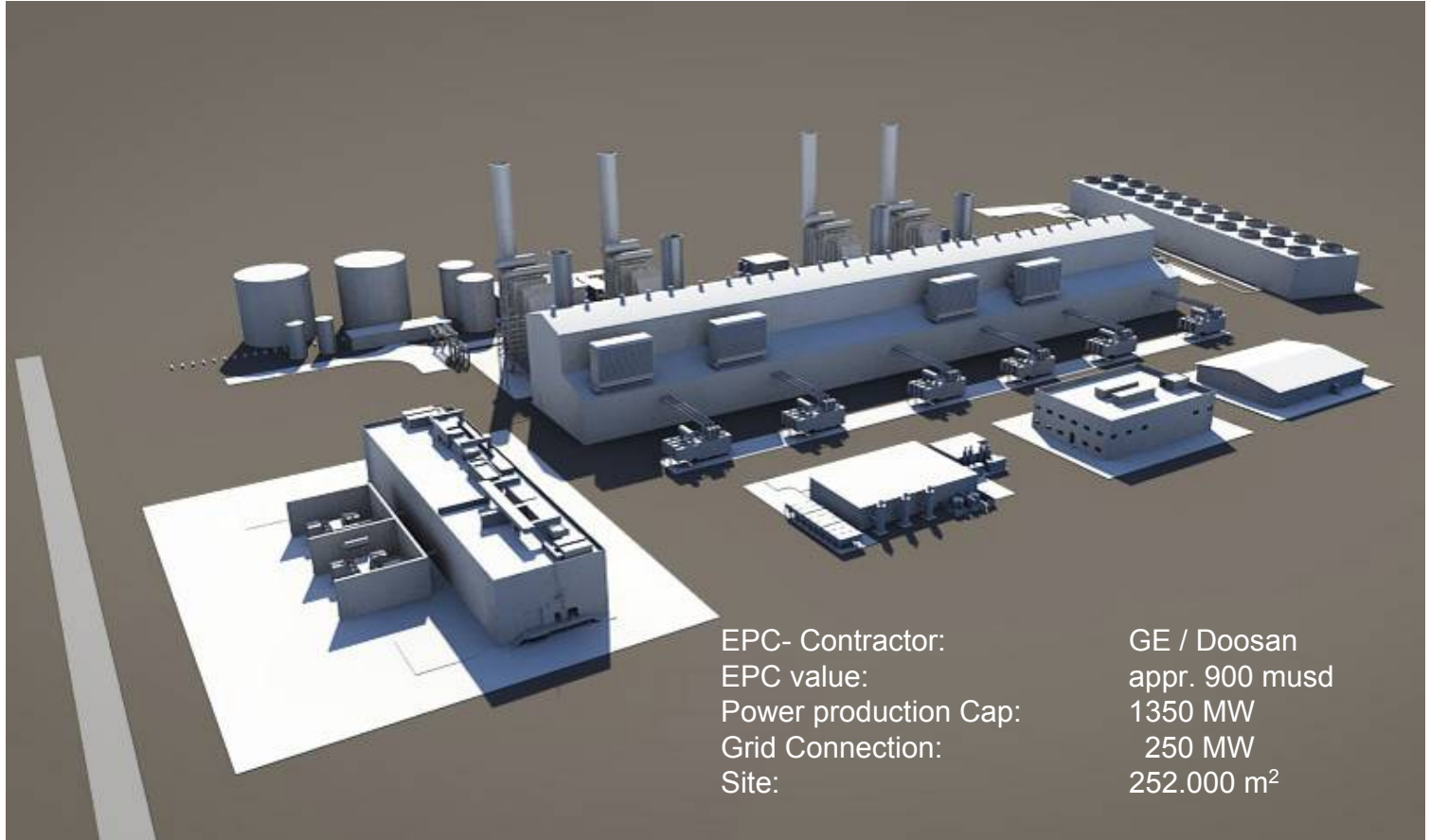




## Start-up Potline 2 - December 16, 2009



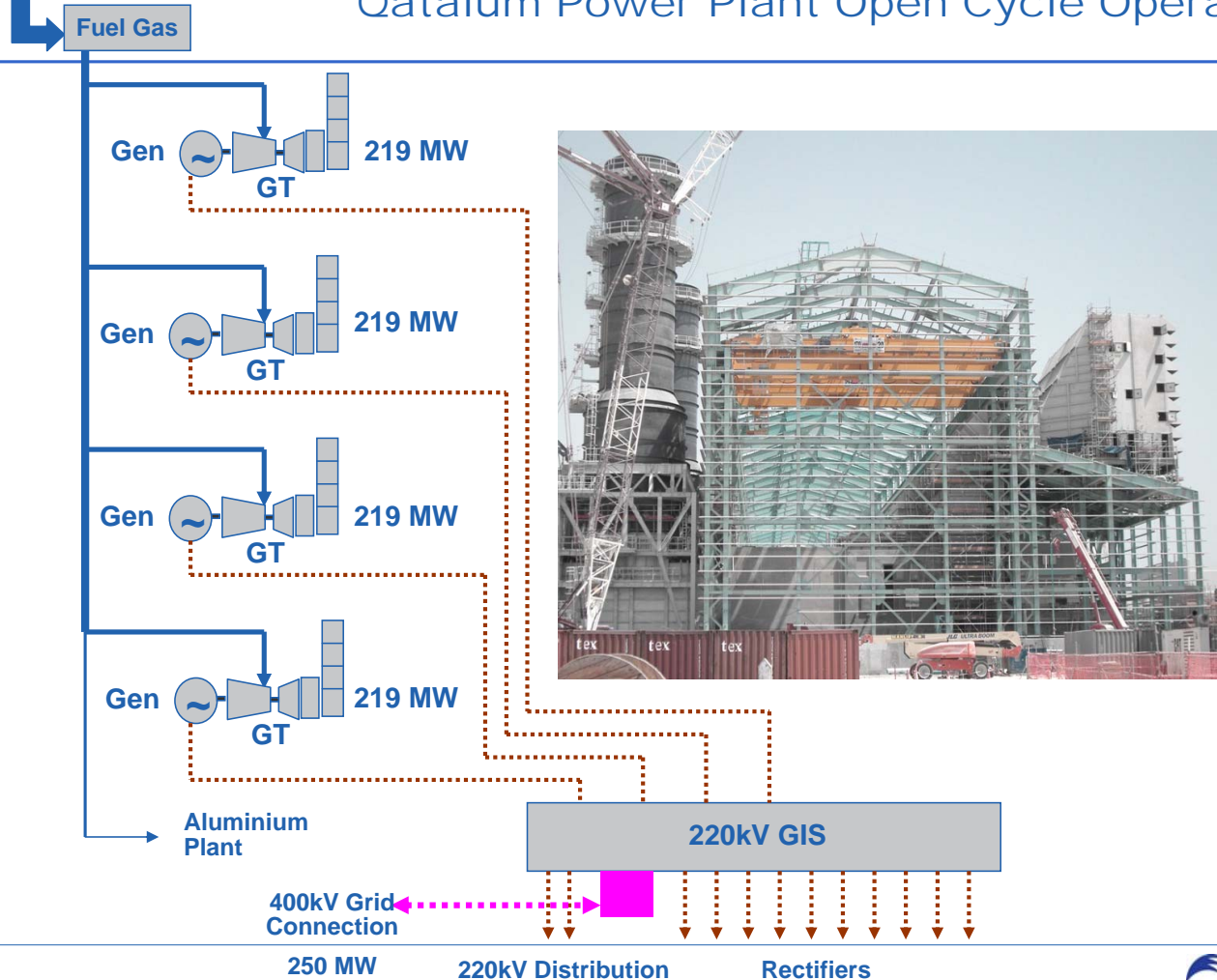
# Qatalum power plant



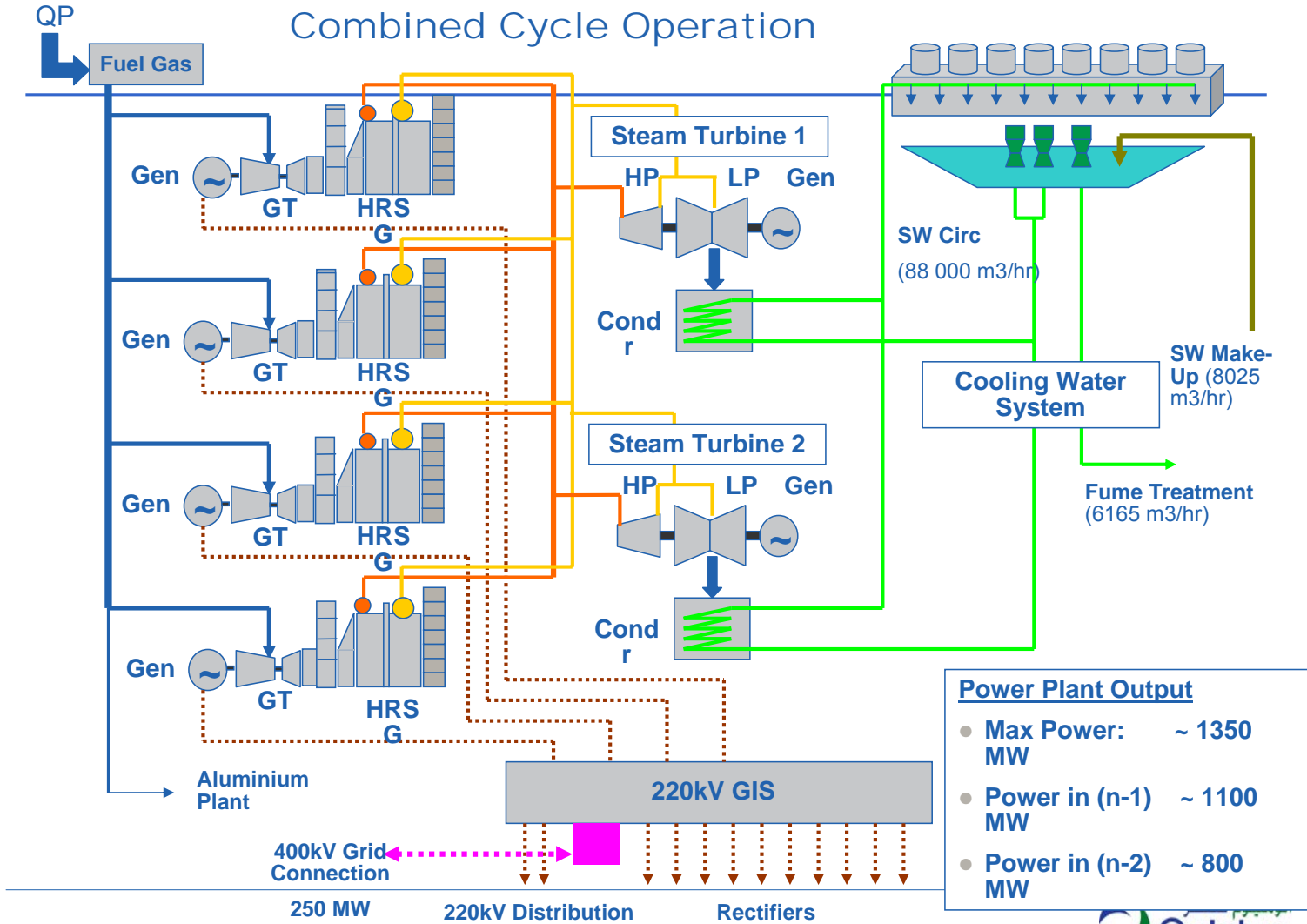
EPC- Contractor:	GE / Doosan
EPC value:	appr. 900 musd
Power production Cap:	1350 MW
Grid Connection:	250 MW
Site:	252.000 m <sup>2</sup>

QP

# Qatalum Power Plant Open Cycle Operation



# Combined Cycle Operation



Power Plant Output	
● Max Power:	~ 1350 MW
● Power in (n-1)	~ 1100 MW
● Power in (n-2)	~ 800 MW



Power plant 2009-10-26



Power plant





# Power plant



# \$5.6bn Qatalum plant 'on time and on budget'

The first aluminium is to roll out of Qatalum before December this year

By Pratap John  
Chief Business Reporter

The first aluminium will roll out of Qatalum, a \$5.6bn Qatar Petroleum-Hydro joint venture, before the year-end, IFE the Deputy Prime announced yesterday. Speaking to *Qatar Times* at the joint said he was "delighted" at the progress made by the project so far. "It is more than 90% complete. I can confirm that the first aluminium December. We are on time and within budget," al-Attiyah said. Qatalum is the world's largest green-field smelter ever built in a single phase. Currently, about 20,000 people, mostly contractors' workforce, are involved in Qatalum construction. The Mesayed plant will focus on producing aluminium casthouse materials like extrusion ingots and primary foundry alloys. The facilities will include a 1,350MW gas-fired captive power plant, a modern casthouse, carbon plant, and a new port for unloading raw materials. Hydro board chairman Terje Vurberg said Qatalum would attain ca-

capacity production "within six months". At that stage, the plant will produce 585,000 tonnes of primary aluminium in a year. However, production can be ramped up at the facility to 609,000 t a year.

The smelter comprises two 1.2km long pot rooms containing 352 cells each, a casthouse which produces 350,000tpy of extrusion ingots and 275,000tpy of foundry alloys. The supply 300,000tpy of baked anodes Qatalum has been designed to accommodate a further expansion.

QP will provide gas to Qatalum to operate the captive power plant whose current power production and 10% of Qatar's that of Norway.

The raw material for Qatalum is being sourced from all over the world, particularly Brazil, where Hydro has captive alumina and bauxite sources.

### Top priority

Qatalum considers "Quality Qatarisation" as a top priority, according to CEO Truls Gøutanes. By co-operating and co-ordinating with Qatar Petroleum and educational institutions in Qatar, Qatalum was strongly committed to "national development" at all levels, he said.

The main raw material required for Qatalum production is aluminium oxide, which is commonly referred to as alumina, said Richard Brandtzaeg, Hydro CEO.

"We have raw material for the next 100 years," Brandtzaeg said.

Qatalum is deploying a patented Hydro technology, which is considered the "most productive and least polluting" in the industry, said Qatalum CEO Truls Gøutanes. Called Hydro Aluminium 300 it has already got clearance from the Supreme Council for Environment and Natural Reserves (SCENR). He said that Hydro's technology were kept to the minimum possible level.

"Qatalum is staying ahead of global industrial environmental obligations by investing in and implementing Hydro's leading edge, low environmental impact electrolysis technology. From the Potrooms to the state-of-the-art Pulse Treatment Plant, environmental considerations are critical to the projects sustainability."

Gøutanes said. "Additionally, Qatalum can credit itself with an excellent safety record. After completing 0.4 man hours its Lost Time Injury is 0.4 per million work hours, far surpassing the challenging target defined by Qatalum when the project began." Page 30

# Qatalum built with an eye on future: Attiyah

ASIF IQBAL

DOHA Recent fluctuations in the prices of commodities should not be a cause for great concern, as these are natural cycles, and before long prices would bounce back to more realistic levels.

This was stated by the Deputy Prime Minister and Minister of Energy and Industry HE Abdullah bin Hamad al Attiyah. He was talking to reporters during his visit to Qatar Aluminium (Qatalum) and Qatar

feel confident that growth will return and with it prices will make a steady recovery," Attiyah said. Things were not as bad as predicted, he added.

Commenting on the status of the Qatalum plant which is scheduled to go into operation by the end of this year, the Energy Minister said even amidst the world financial crisis, aluminium has maintained a sustainable price of \$1,800 per tonne. "The plant has been built with an eye on the future, not on short-term interests. We know that alu-

## Key project success factors

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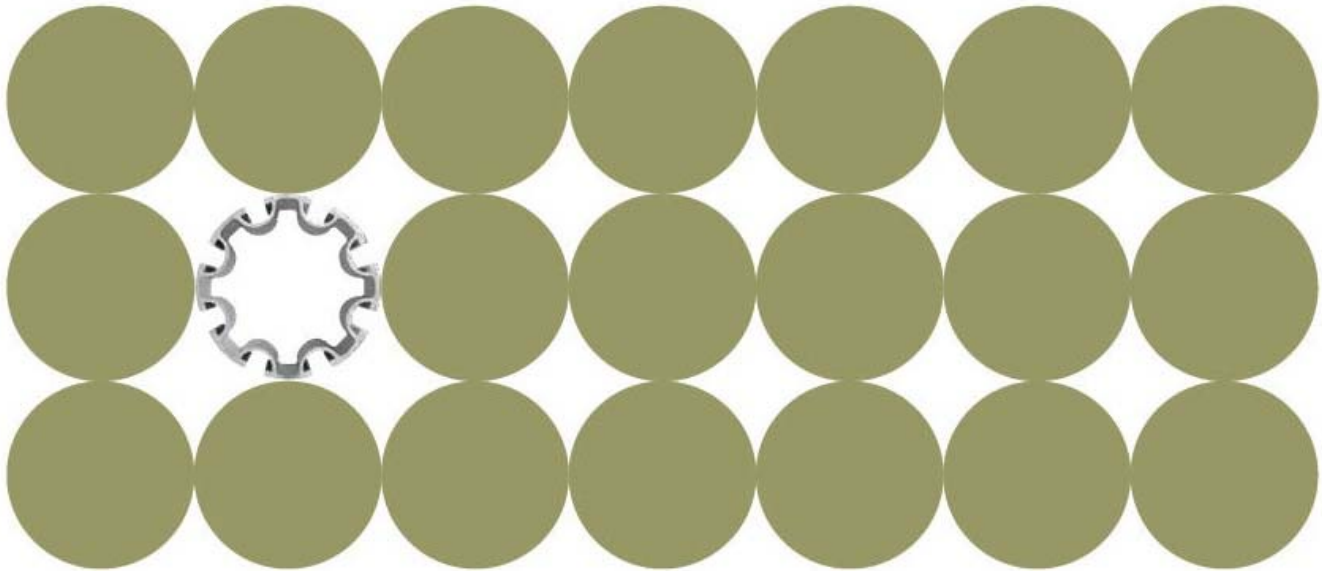
- Well-defined concept at time of decision
- Successful contract strategy and selection of contractors
- Interface management
- Sound risk management
- Active stakeholder management
- Strong HSE ambitions
- Project completion – “The Hydro Way”



## Site canteen



# Qatalum operations



Jan Arve Haugan, CEO Qatalum

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**Committed to deliver...**

- Background**
- Organization development**
- Start up of Operations**
- Ramp up plan**
- Qatalum going forward**

## One relationship + two needs = Qatalum

### Background

The context  
in which our business  
will make a difference

Two fundamental needs have driven Hydro and QP to further deepen their 35+ year relationship:

Qatar's need to develop a modern and more diversified society beyond a reliance on oil & gas

Hydro's need to strengthen its competitive position and long-term sustainability with low cost energy in a low cost area.

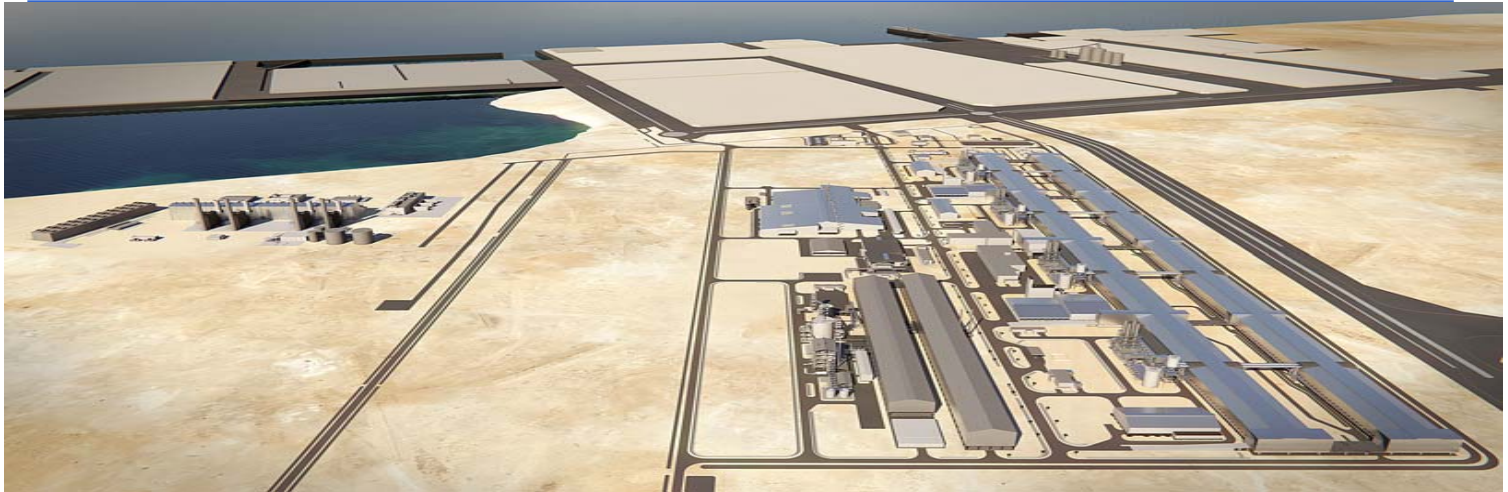


# Qatalum

- A 50/50 Joint Venture



# A new dimension aluminium project



<b>Heads of agreement</b>	<b>December 2004</b>
<b>Joint venture agreement</b>	<b>March 2006</b>
<b>Investment decision</b>	<b>October 2006</b>
<b>Final build decision</b>	<b>July 2007</b>
<b>Production start-up</b>	<b>Year- end 2009</b>
<b>Ramp-up</b>	<b>During 2010</b>











Golf Play  
Ground

مسجد  
Umm Salid

76

Qatalum



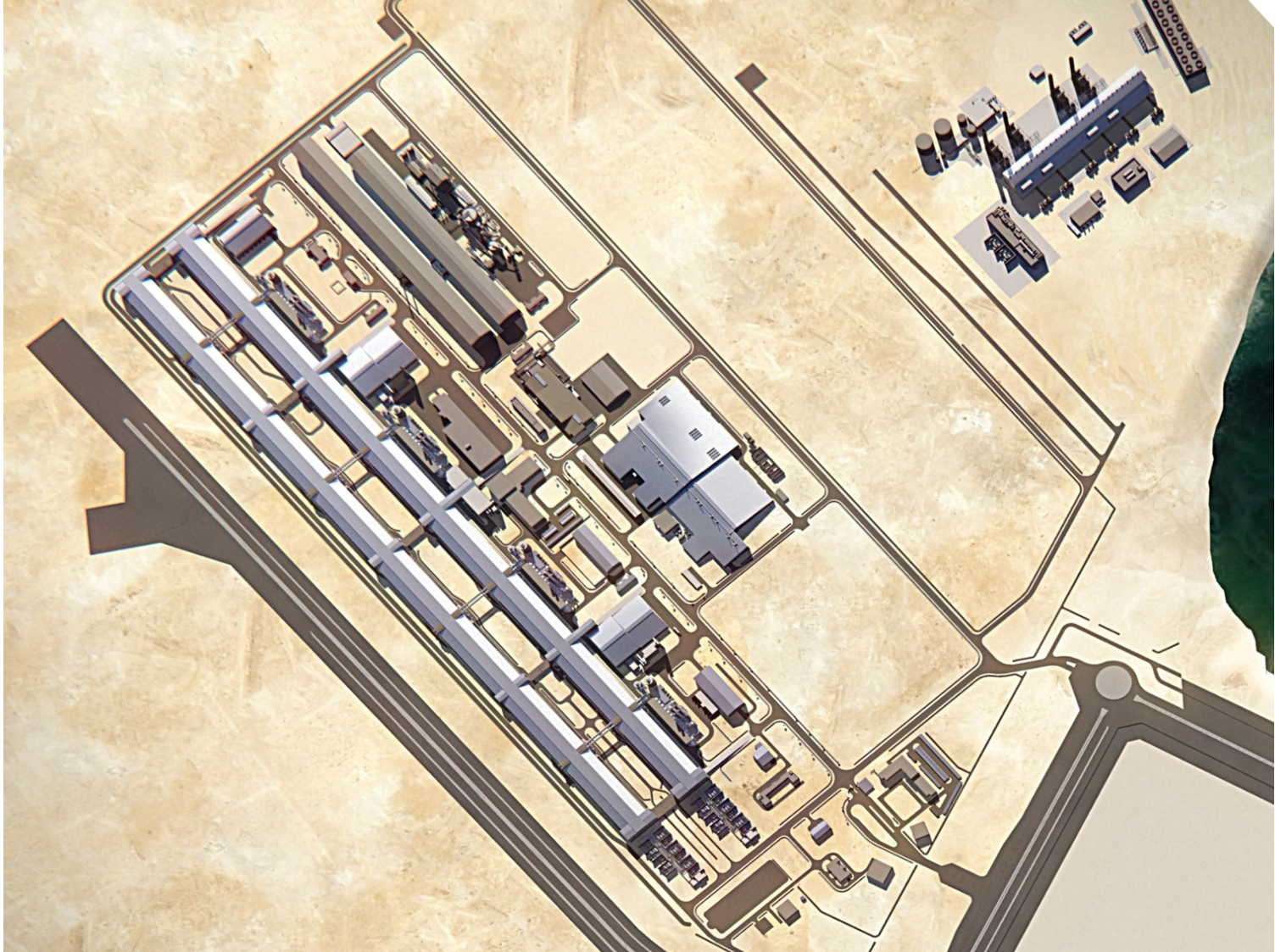


Qatalum



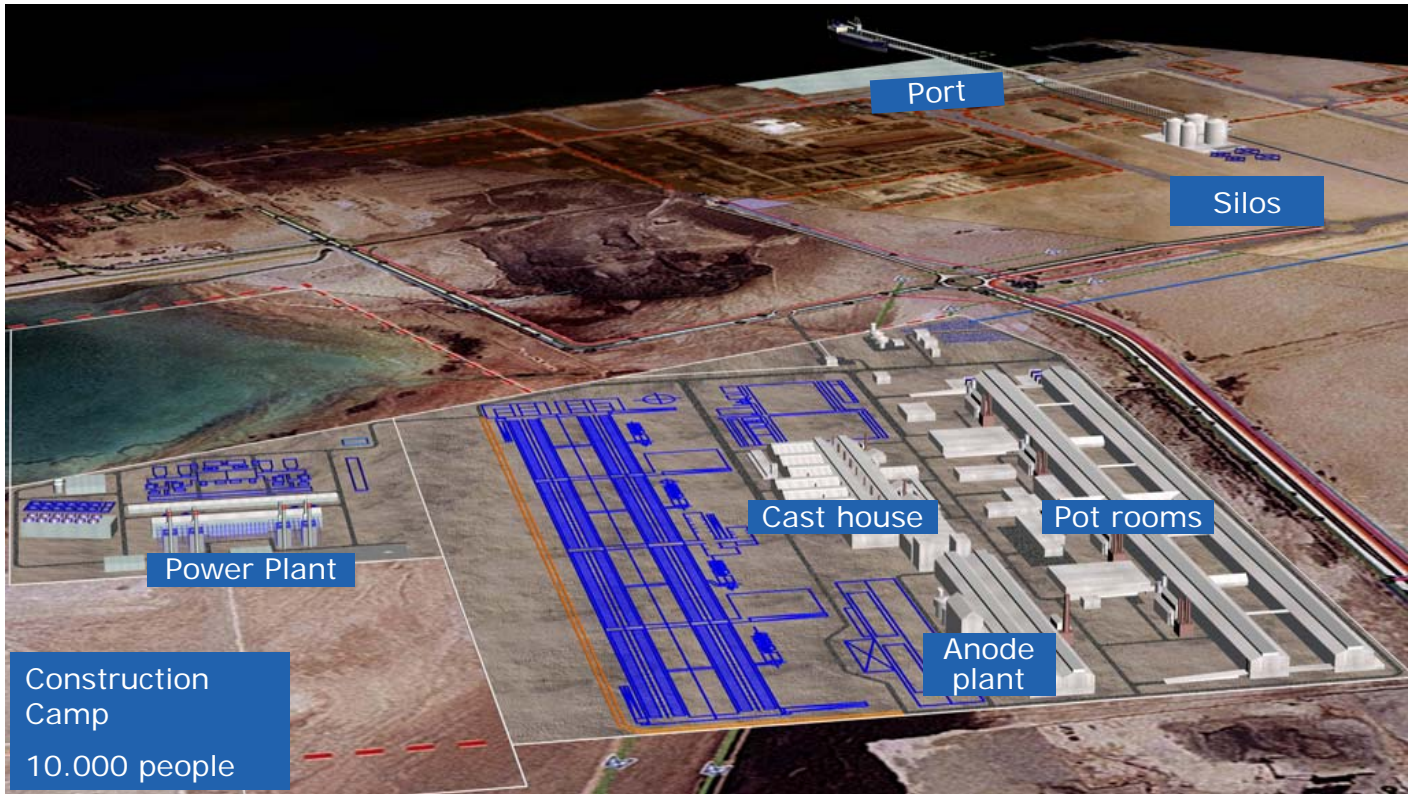


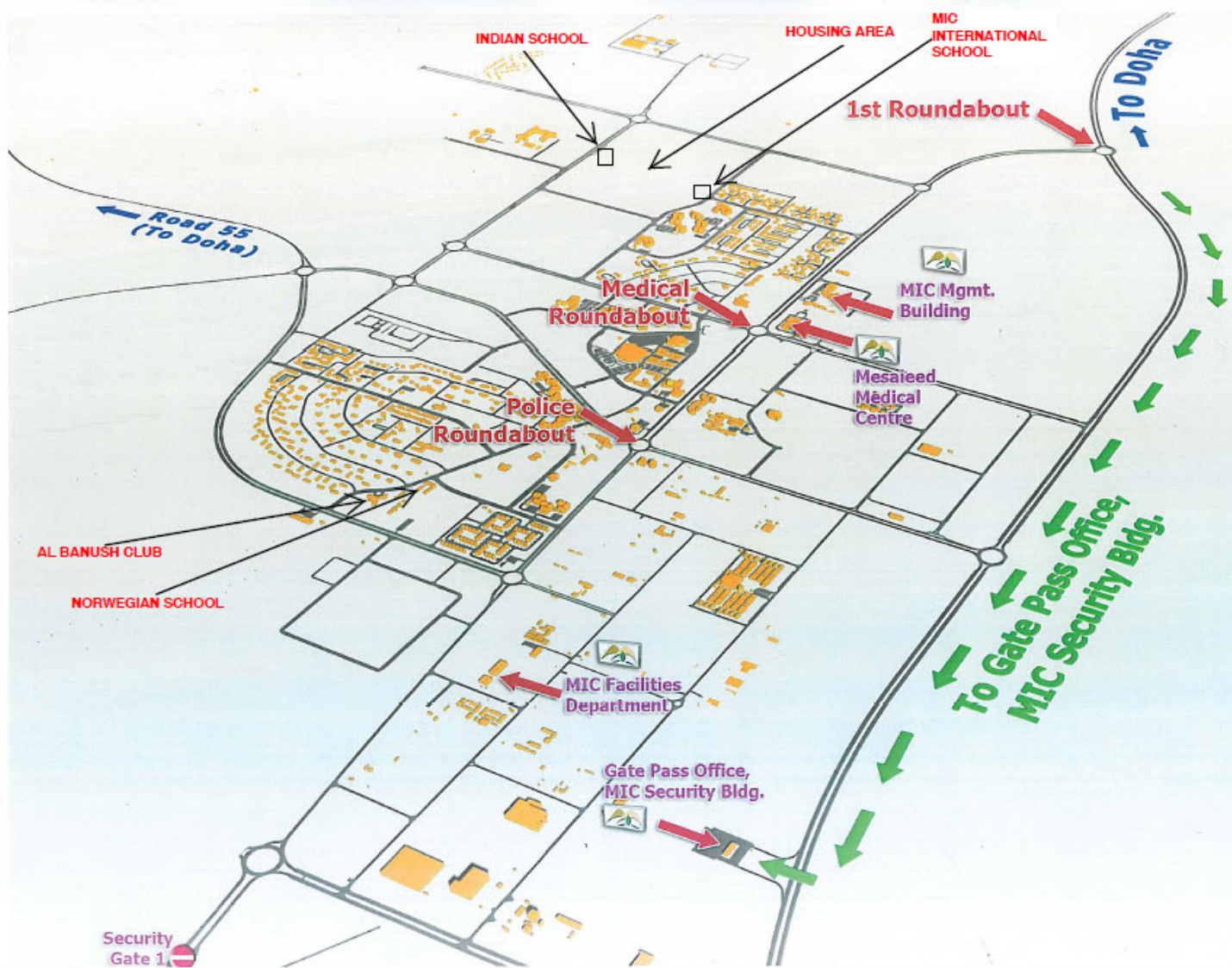






# Qatalum project scope





INDIAN SCHOOL

HOUSING AREA

MIC INTERNATIONAL SCHOOL

1st Roundabout

To Doha

Road 55 (To Doha)

Medical Roundabout

MIC Mgmt. Building

Mesaieed Medical Centre

Police Roundabout

AL BANUSH CLUB

NORWEGIAN SCHOOL

MIC Facilities Department

Gate Pass Office, MIC Security Bldg.

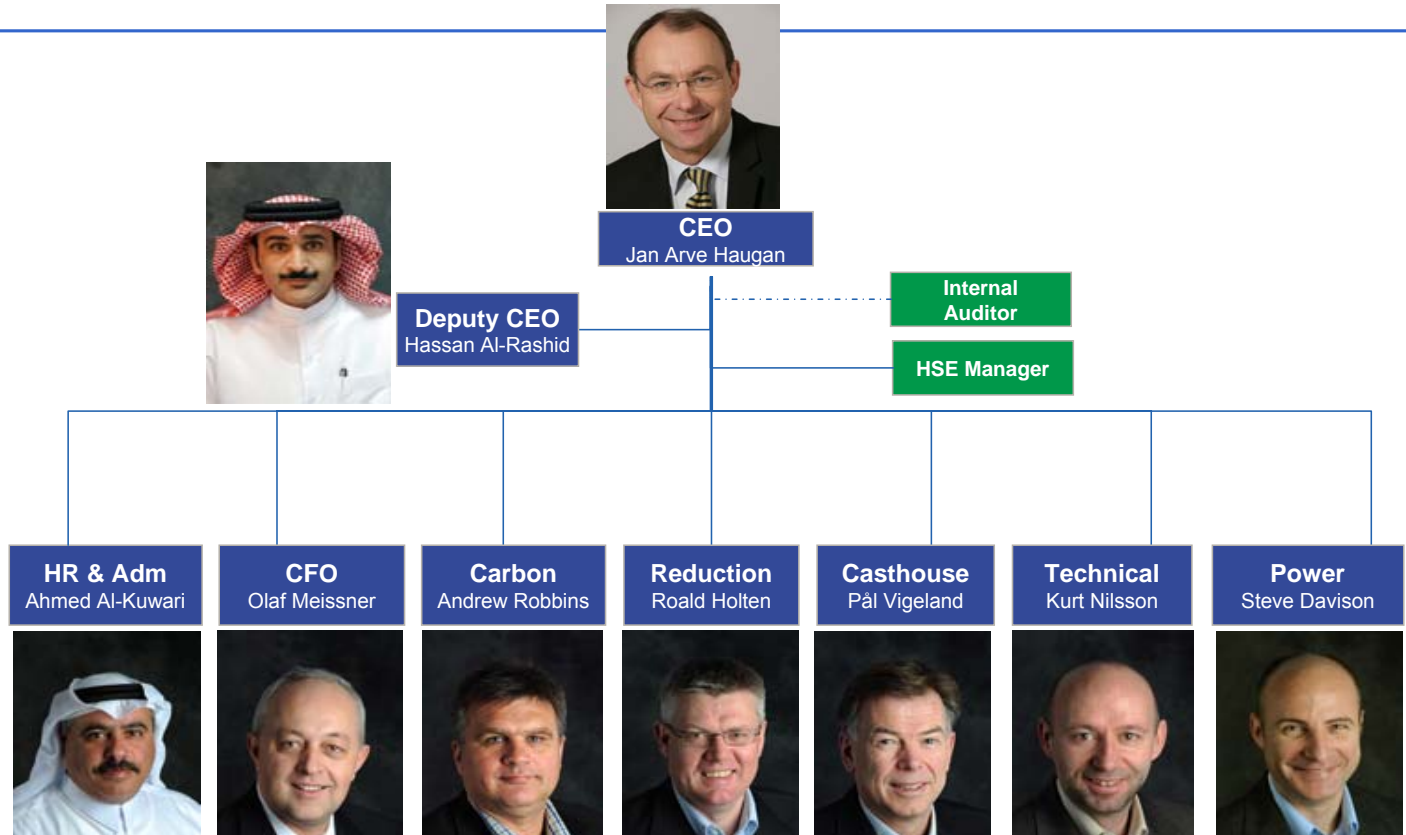
To Gate Pass Office, MIC Security Bldg.

Security Gate 1





# Qatalum organization



# Global Procurement

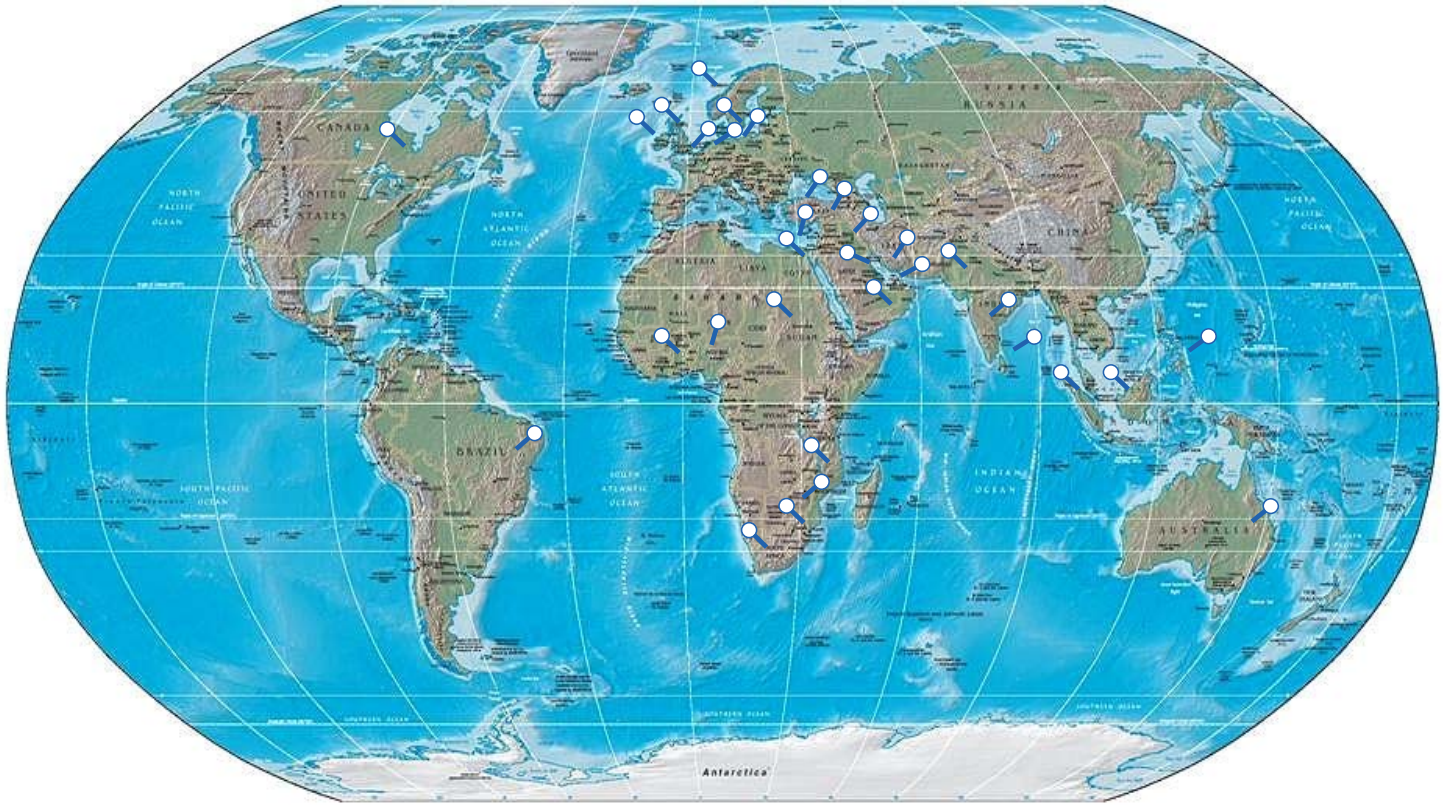




















**21 Contracts**

**9 GCC, 2 North America, 7 Europe, 2 Asia, 1 Australia**



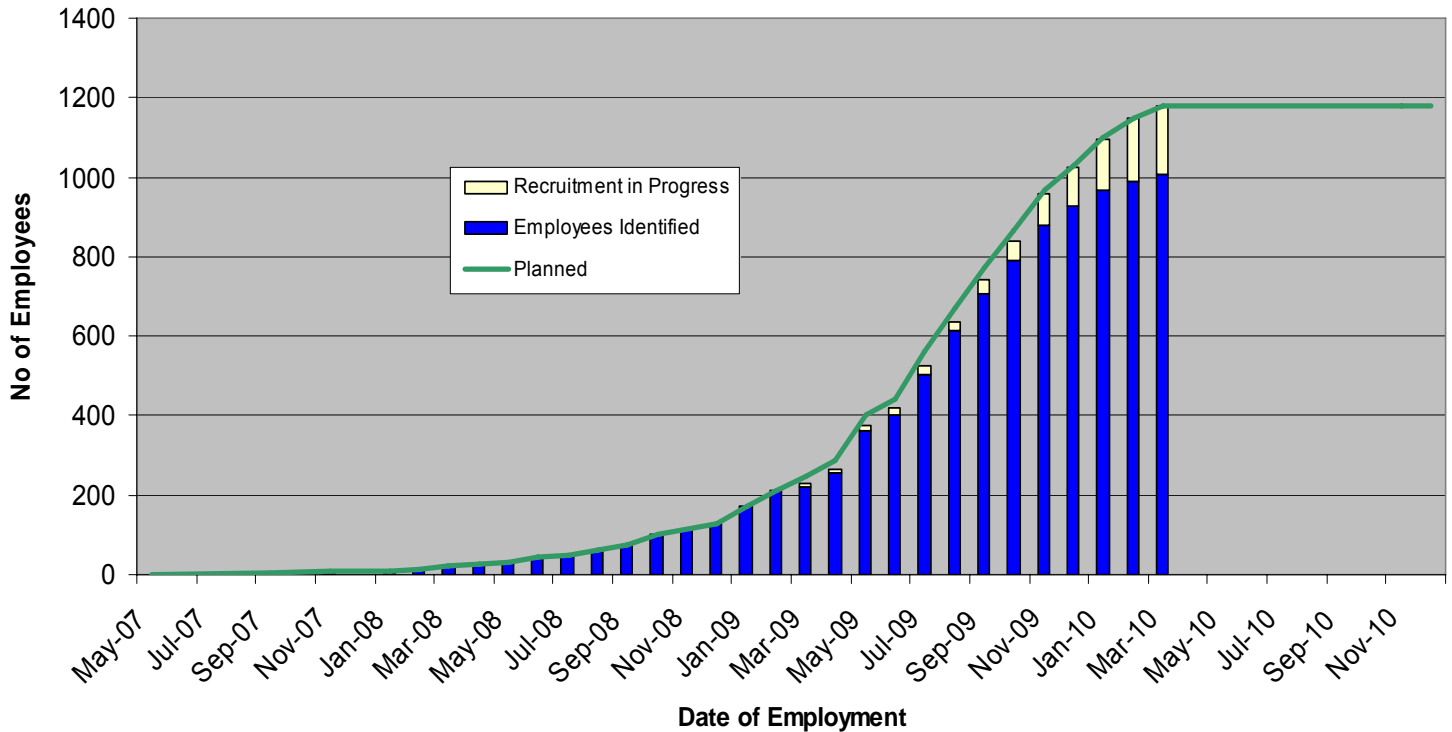
# Qatalum's Global Family



	12		5		1		1		61		26		1		1
	4		8		201		3		21		5		1		18
	2		74		328		1		1		69		1		1
	9		1		45		92		1		6		1		

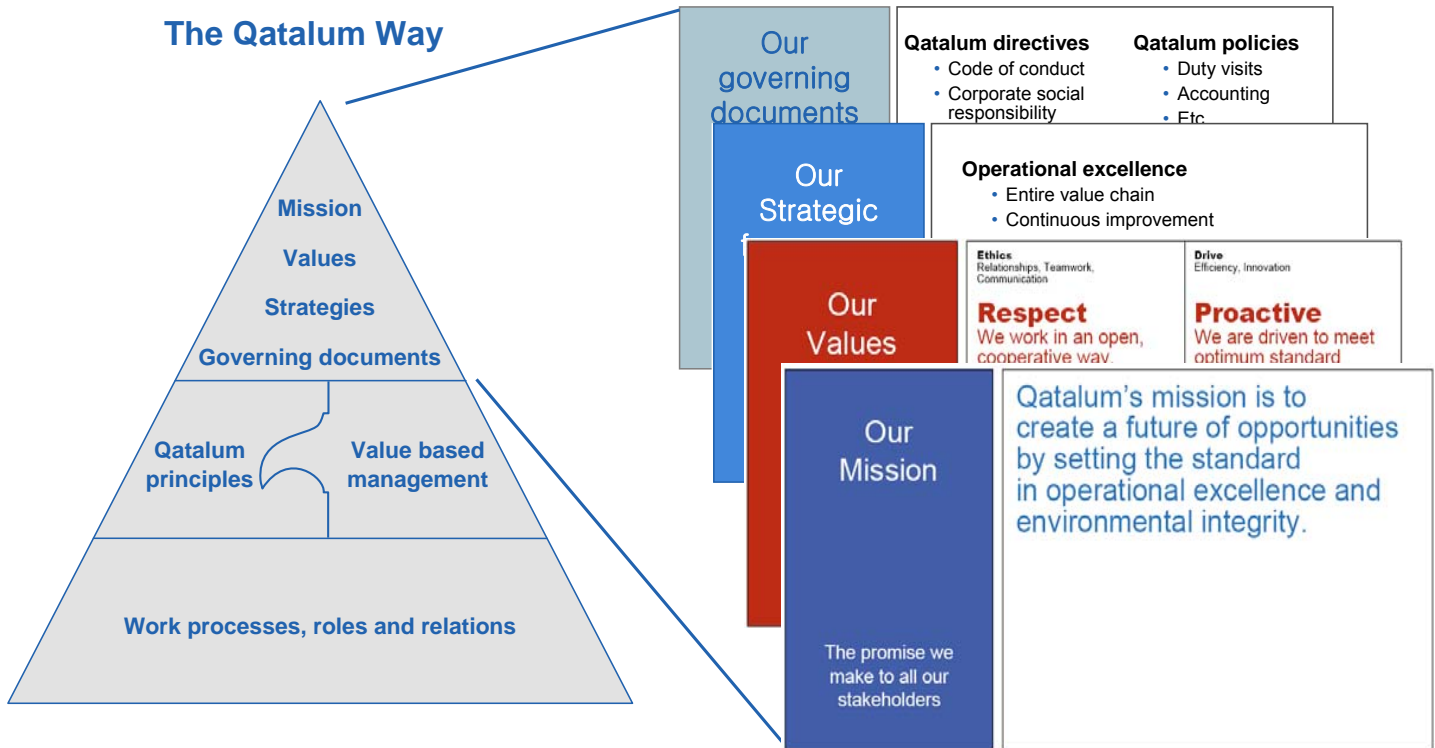
# Mobilization Progress

## Recruitment Plan Vs Actual



# Mission, Values, Strategies and Governing Documents

## The Qatalum Way



# The Qatalum Values Our performance criteria

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## Our Values

Beliefs that differentiate and focus our performance

Ethics  
Relationships, Teamwork,  
Communication

**Respect**  
We work in an open, cooperative way.

Drive  
Efficiency, Innovation

**Proactive**  
We are driven to meet optimum standard while always seeking improvement.

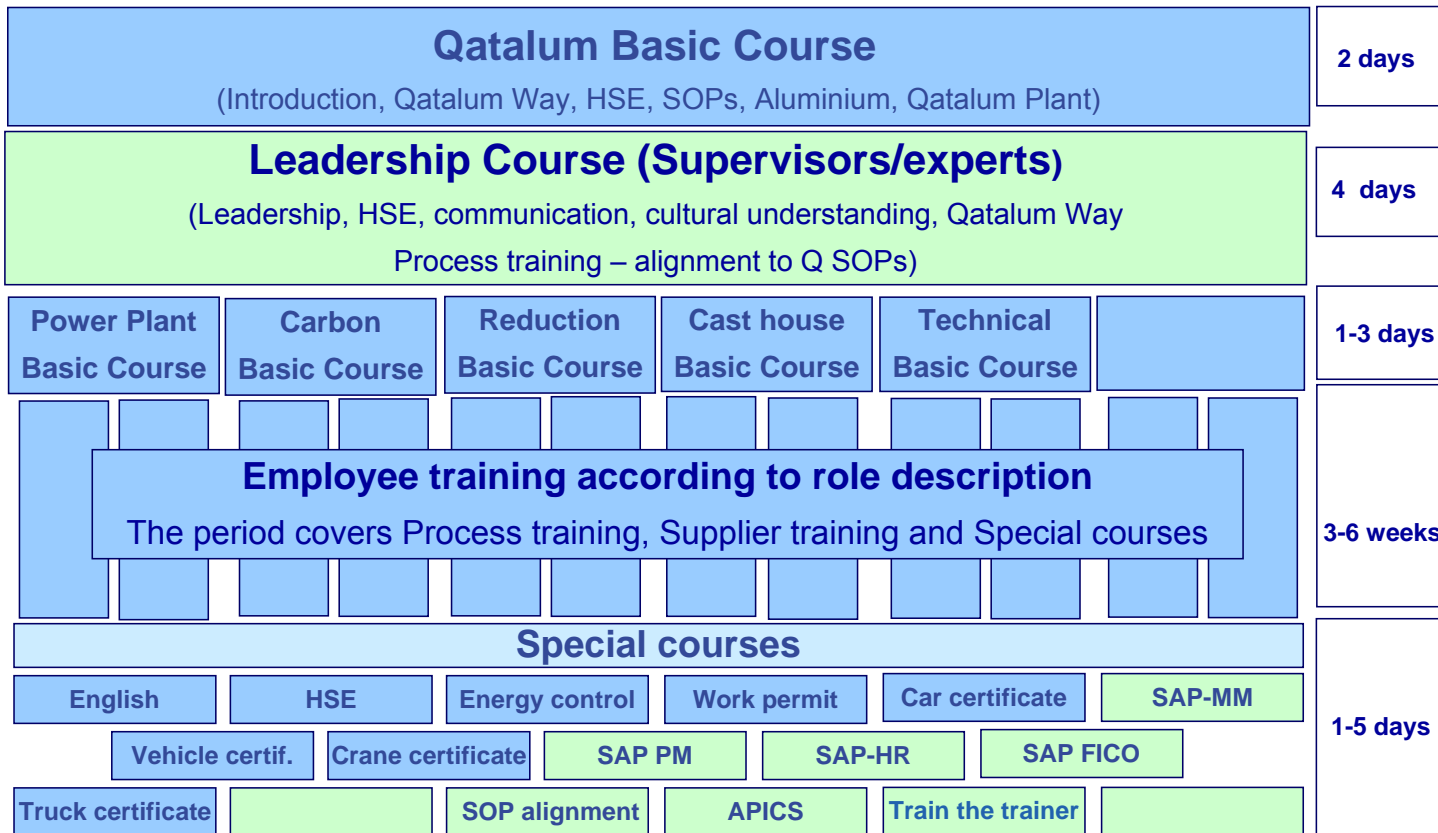
Ability  
Competence, Reliability

**Trustworthy**  
We always keep our word and ensure the job gets done right.

Attitude  
Motivation, Seeing big picture

**Enthusiastic**  
We have a positive attitude toward our jobs and each other.

# A Comprehensive Training Program



- = Operator training
- = Supervisor/staff training



October  
2009



Growing international media  
interest with high level visits

October 26, 2009, the first pitch vessel arrived at Qatalum's inbound dock





# Anode Handling and Storage





Rodding Anodes





Dry out of Anode Baking Furnace  
at December 31, 2009



# Qatalum Project and Management



Potline -1 Team ready for Start up





PTM 6

# PTM Cranes at Potline 1











# Cast house – Furnace



First Foundry Alloy  
December 04, 2009





Foundry Alloy ready for market



First Export of Foundry Alloys  
Qatar National Day,  
December 18, 2009





First Extrusion Ingot  
January 22, 2010





# Raw Material storage at Harbour Area



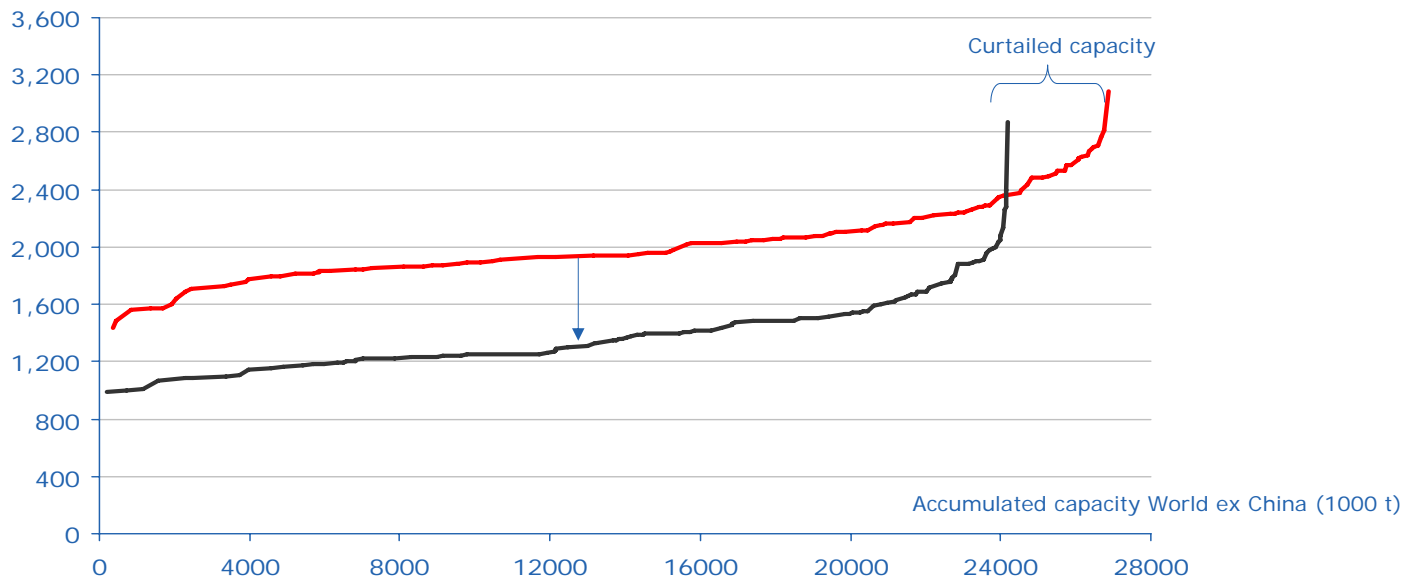
Critical period ahead



# Qatalum

## - competitive cost position

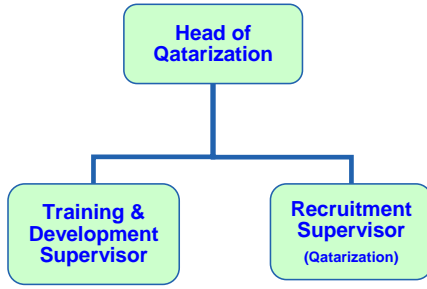
Business Operating cost (USD/t)



— BOC 2008 — BOC 2009



# Qatarisation



**Established 5 years intake plan**

**Agreement with Qatar University**

**Professorship at QU**

**"Aluminum Production Technology"**

**Relationship with the high schools in Al-Wakrah**

**Recruit 35 technicians from different disciplines through QP's corporate training center**

**Direct recruitment and training of 10 tapping vehicle operators/drivers for the Reduction Dept.**

**Intake of Technicians/Operators through QP Training Center**





**Deliver as committed**





[www.hydro.com](http://www.hydro.com)